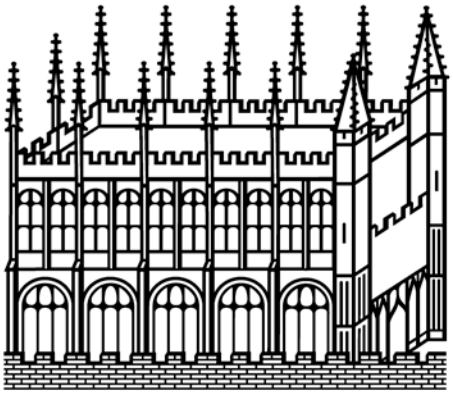

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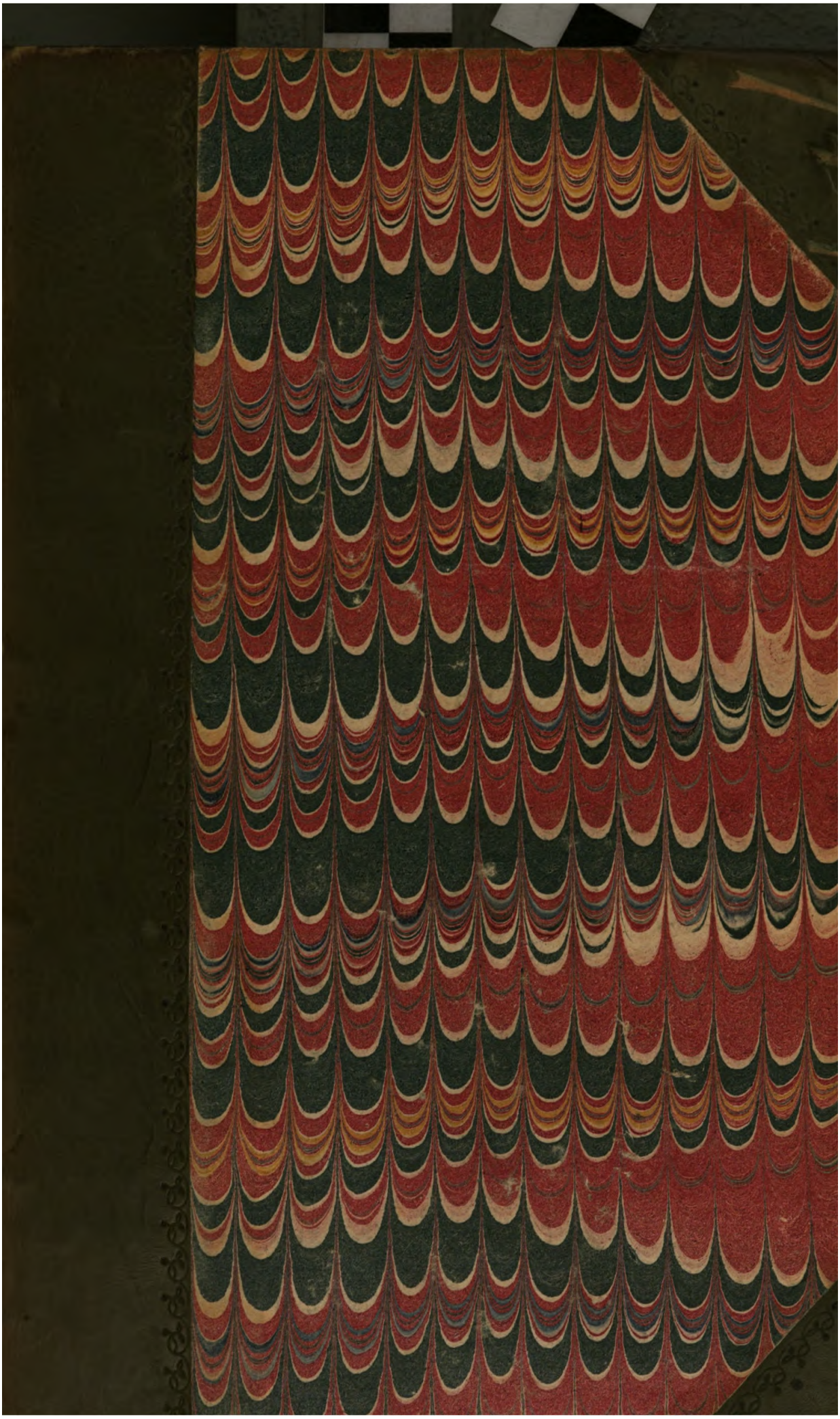

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S.H. 1828.

COLONIAL COMMERCE;

COMPRISING

AN INQUIRY

INTO

THE PRINCIPLES UPON WHICH DISCRIMINATING DUTIES SHOULD BE LEVIED

ON

SUGAR,

THE GROWTH RESPECTIVELY OF

THE WEST INDIA BRITISH POSSESSIONS, OF THE EAST INDIES, AND OF FOREIGN COUNTRIES.

BY

ALEXANDER MACDONNELL, Esq.

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TO

GEORGE HIBBERT,

ESQUIRE,

CHAIRMAN OF THE COMMITTEE OF WEST INDIA MERCHANTS,

&c. &c. &c.

THIS VOLUME,

ON

COLONIAL COMMERCE,

IS DEDICATED,

WITH SENTIMENTS OF GREAT RESPECT AND ESTEEM,

BY

THE AUTHOR.

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PREFACE.

Amongst the numerous publications which are daily issuing from the press upon political subjects, there can be no doubt that those are the most useful which relate to the practical concerns of life. In this country, almost all classes are, either directly or collaterally, dependent upon commerce. Their prospects in the world naturally occupy the prominent part in their thoughts; and it is the chief boast of modern times, that speculative studies have been directed to the useful arts, with the view of diffusing that description of information which bears upon our daily avocations.

Of the sources which supply the Commerce of Great Britain, the Colonies constitute a most important part: latterly, they have attracted more than usual attention. The great changes which have taken place in South America, whose products bear an affinity to those of our Colonies, have given

rise to new political relations, which are supposed to clash with those of our own dependencies; speculations of various writers of ability, inimical to colonial dominion, have occasioned some alteration in public opinion respecting the propriety of imposing restrictions upon any branch of trade; and amid this doubt and uncertainty, it may be acknowledged that, at the existing moment, the most diversified notions prevail respecting the expediency of retaining, unchanged, that System of Colonial Policy, which this country had so long encouraged. Other causes have also operated to bring the question of Colonial Commerce into public discussion, which though less deserving the attention of the philosophical inquirer than those just stated, have been yet more loudly heard throughout the nation. In every great commercial country, the various parties engaged in production, will fancy that their interests clash with each other; the manufacturer will oppose the agriculturist; the inhabitants of one province will insist that they should enjoy superior consideration to those of another. Incessant contention results from this diversity of pursuits. As we advance in civi-

lisation, disinterestedness too frequently declines; and in the advocacy of commercial views by interested parties, it is to be feared that we must sometimes expect to see betrayed a spirit of avarice and venality, in place of a dispassionate search after truth.

In times of peace, this stain upon our national character becomes more evident and striking; public attention being then chiefly occupied with domestic concerns, every interest engaged in production is anxious to have either grievances redressed or privileges conferred, without a very scrupulous regard for the national benefit. This feeling generally displays itself in an application to the Legislature, to place the business in which parties are concerned upon a more favourable footing than others supposed to be opposed to them. A mandate of the Legislature suffices to accomplish, at once and effectually, this object. Taxation is so heavy in this country, and so pervades every branch of industry, that it places a description of power in the hands of the British Government, which is not possessed by the most absolute potentate. Individuals ever pursue that branch of business in which there is prospect of emolument, and

it is completely in the power of taxation to dictate that direction. Hence, the reiterated appeals of particular parties to remit some particular tax;—to increase another, according as their own interest is conceived to be concerned in the result.

In the discussion of the Colonial question, this disposition has been strongly manifested; and there are grounds to believe, that much of the violent hostility which has been directed against the Colonial system is attributable to commercial rivalry. The existence of the Colonies depends upon the scale of duties which is levied upon their produce. More intense anxiety prevails on this subject in those possessions, than in any part of the British Empire. Capitalists situated elsewhere, if driven from production which they cannot conduct profitably, have still their funds which can be directed to other pursuits; but colonial proprietors have no such resource. Their property is untransferable and incapable of redemption, and it must fall with the system which supported them. It is apparent, therefore, that to fix a proper scale of duties upon colonial produce, is an undertaking of great importance and re-

sponsibility; and requires an enlarged acquaintance with the principles of national policy. The statesman, it is true, cannot permit himself to be incumbered with detached or particular views; at all times, he must look to the collective national benefit. But many circumstances conspire, in the colonial question, to make this matter of peculiar delicacy. In our ultra-marine dominion, we number possessions of a very diversified character; some consider themselves entitled to superior privileges to others, though there is identity in their productions. Here originate rivalry and contention as virulent as might be expected were it a question between foreigners and British subjects.

But this is not all. Branches of business which political economists have classed under the head of Carrying Trade, are involved in the question. These are supposed to be at issue with both the East and West India interests, and are fully as clamorous as either of them to be favoured by the Legislature. It is easy to perceive how arduous a task the government has to perform, and what an extended range of information is requisite to perform that task with security, with wisdom, and with justice.

The Political Economists who are most in vogue would pronounce the matter easy, and would dictate a comprehensive rule for removing every restriction by opening our ports freely to foreigners, and allowing industry to find its level in every branch of employment. If, by a comprehensive measure, we mean that which produces general and extended results, the term may be applicable to the reasoning of the Political Economists; but if, by it, we mean an enlarged examination of the various circumstances and considerations that may be combined and involved in the question, together with an analysis of the new relations that will spring up, tracing their influence upon the actual practice of society, it may be pronounced to be quite inapplicable to the views of those writers. But all these complicated inquiries it is the imperative duty of the Legislator to consider before he can venture to propose a new law. If he proceed unacquainted with their bearings, he will be fated to find that repeated alterations will be called for in his measures; the enactment of next year will repeal the law of the present; and, through this

instability and uncertainty, commerce will decline.

In the following sheets, the attempt is made to supply this deficiency: at the same time that the elementary principles of Colonial Policy are elucidated, accidental relations are described; and the endeavour is made to point out those regulations under which our Colonial Commerce should be generally and permanently guided.

This extended inquiry, it is conceived, is necessary to be clearly understood before statesmen could pronounce on what exact and relative footing the tropical produce of the West Indies, of the East Indies, and of Foreign Countries, should be placed. In every discussion on this subject, it must have struck the enlightened observer, that statements of facts adduced by the practical merchant, were met by abstract reasoning on the part of the Political Economists; and, on the other hand, that the views of the latter were rarely answered on elementary principles, but were derided as speculative and inapplicable to the existing occasion. These parties, the theorist and the man of practice, have generally a mutual

but most uncalled-for contempt of each other. Uncalled-for, because, on the one hand, no individual deserves the name of a correct theorist unless his views are strictly grounded upon facts, theory being neither more nor less than their generalization; and, on the other, because no practitioner will ever be entitled to the least attention unless he is able correctly to apply his facts, which, if he is totally ignorant of theory, will not occur once in one hundred times.

The discrepancy of opinion between those classes has greatly obstructed the progress of commercial knowledge. The treatise of the speculative writer finds its way into the library of the man of letters, where it may be canvassed as an ingenious specimen of philosophy, but which has very little to do with the actual business of life. The pamphlet of the merchant probably lies for a few days in the counting-house of some of his acquaintances interested in the topic which it discusses, but it is soon thrust aside, and by the great majority of the public it is unnoticed and unknown. Both the defects here adverted to, are attempted to be remedied in this undertaking.

The first Chapter consists of an examination of the general principles of Colonial Policy. The object has here been to trace, in a short compass, the advantages derivable from those possessions, and to examine those arguments maintained by various writers which lead to contrary conclusions.

The second Chapter describes the species of production yielded by the various colonies and foreign possessions of Great Britain, and points out the means by which they may be encouraged. Parents blessed with a numerous offspring are anxious to have them so settled in the world, that the pursuits of one will assist those of another, and that all may dwell in harmony and peace. A similar rule has been adopted to direct the relations of those settlements which owe allegiance to Great Britain.

In the third Chapter will be found a history and outline of the laws relating to Colonial Trade. Every one is aware that restrictions exist, but few know exactly their nature; still fewer their history, and their influence in having caused investments of British capital. The different Acts of Parliament which have been passed since the Colonial System

properly first commenced, have been read over with great care, which is not a task of either days or months. It is conceived that the compendium given will be useful for reference for many important purposes. A contrast has been drawn between the old Colonial System and the new, as established by recent regulations, to which the attention of the Reader is particularly requested.

Succeeding to the regulations relating to the Colonies, is an outline of the Commercial Laws affecting the East Indies.

The fourth Chapter exemplifies the remarks made respecting the deficiency in most treatises on Political Economy, of details of facts from which general and important conclusions are to be drawn. This Chapter exhibits the cost of production of tropical produce in those countries which compete with each other.

In the Section on Foreign Countries, great difficulty was encountered in finding the actual price at which sugar could be raised. In the papers and documents which were consulted, much discrepancy appeared; but before those on which the calculation is founded were selected, reference was made

to net proceeds realized by the foreign planters on shipments made on their own account to Holland. This mode of checking the accuracy of calculations taken from prices current should never be omitted, the constantly varying rate of exchange and a number of other causes, which are noticed in the course of the work, causing great fluctuation in prices abroad. Some further details, concerning the relative quality of this foreign sugar, will be found in a succeeding chapter.

The Section on East India Sugar, it is conceived, is of great importance. Few can be ignorant that great difference of opinion prevails amongst writers of reputation respecting the capabilities of this portion of our empire for producing sugar. Some say, that it cannot be raised under 40*s.* to 50*s.*; others maintain, that the cost of production is only 6*s.* or 7*s.* The means of reconciling, in part, this conflicting testimony are supplied. Sugar can be raised in the East Indies in two ways: 1st, by the Hindoos, as at present; 2dly, by British residents, forming plantations after the West India fashion. Very different conclusions arise in these

cases, of which it is necessary for the reader to be fully aware before he can form accurate notions, and entirely compass the bearings of this subject. A few remarks offered at the close of the Section referred to, will show the importance of the distinction here pointed out.

The fifth Chapter contains the application to the two preceding ones. It contains the reasoning relative to the footing on which the produce of our Colonies should be placed, deducible from facts previously detailed.

The next Chapter relates to the Consumers; and explains the manner in which protecting duties operate, and the degree in which they tend to enhance prices.

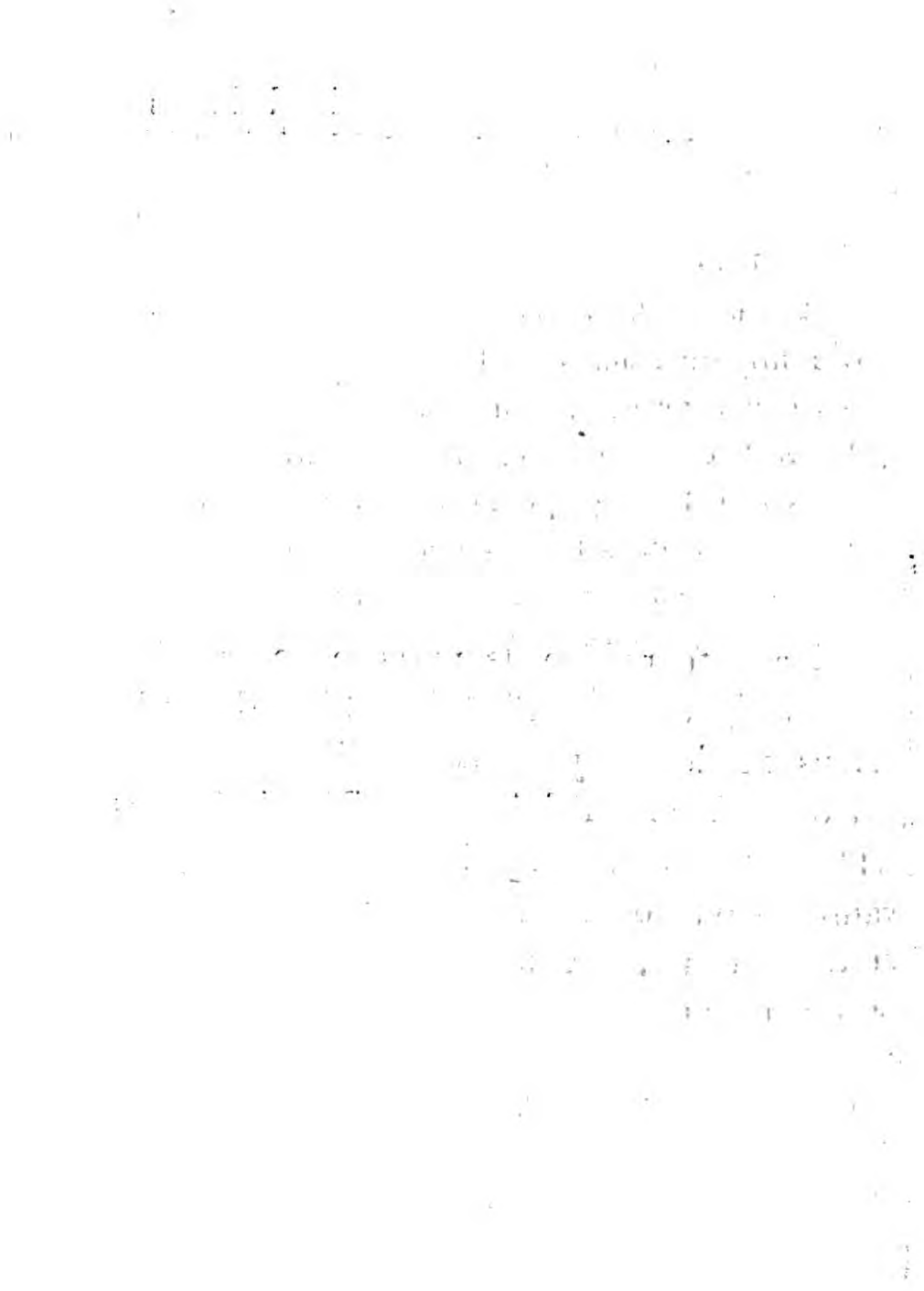
The seventh Chapter, to the merchant and man of business, is the most interesting in the work. It describes the state of the Sugar Trade on the Continent of Europe, and contains an examination of the plan lately promulgated by the President of the Board of Trade, for admitting foreign sugar into the British Refineries. From a return just presented to Parliament, but not yet printed, it appears that the export of refined sugar for the year 1827, is greater than the amount

given in the statement contained in this Chapter, which was selected from the London Price Current.

The next Chapter concludes the work; it points out the means of invigorating our Colonial Commerce, and of placing it upon a substantial and permanent footing, equitably adjusted to all portions of the Empire.

From this outline, the Author thinks it will appear, that in his undertaking, he has endeavoured to compass a very intricate subject, and to reduce its parts to consecutive order. Those imperfections which the judicious reader may detect, it is hoped will meet with some indulgence, when it is considered that an attempt is made in the same publication to reconcile views adapted to the merchant, the political economist, and the statesman.

March, 1828.



COLONIAL COMMERCE.

Chapter I.

ADVANTAGES OF COLONIES.

Section I.—*The Resources of the Empire extended by supplying an outlet for Population.*

It appears to be the fate of all old states to find difficulties grow upon them in procuring subsistence for their population. A formal declaration has recently been made by the Legislature, that the means of industry in the United Kingdom are inadequate to give profitable employment to the entire people. If this state of things be not attributable to a temporary stagnation of trade, but proceed from causes which have permanent operation, we cannot bestow too close an attention upon any system of national policy which is calculated either to remove or to alleviate so great a grievance.

It is now generally acknowledged that numbers do not necessarily constitute strength, and that a redundant population tends to weaken a state; but at the same time, we hear the humane maxim inculcated, that it is better to remove the poverty than to check

the increase of the people. When paupers are converted into productive labourers, the community derives a double benefit: it is relieved of an oppressive tax, and increased energy is given to its industry by a more extended consumption of commodities. Still greater advantages ensue when the means of employment are directed to the production of articles not congenial to our own climate, but which are the growth of distant provinces, under the control of the mother country. By degrees, new tastes and wants arise amongst the remote as well as the proximate parts of the empire, which awaken ingenuity and enterprise, and augment the channels of commerce. Colonies appear to contribute to all these ends; and they confer upon their parent country the glory of disseminating throughout barbarous regions her arts, her language, and her religion. Great Britain for centuries has borne a conspicuous part in this great work; she now surpasses all other states in the extent of her extraneous dominion, possessing at command every variety of climate and of soil.

It is our primary object to point out the manner in which those territories tend immediately to relieve her people, and to widen the means for their employment.

When the term redundant population is used, it is not implied, that the land in the parent state is unequal to the support of its inhabitants, but that there are more labourers than can be profitably employed.

It is usually affirmed that deficiency of capital is the cause why population outruns the means of subsistence; but this is not in all cases true. Capital may exist in great abundance where there is a redundant population. The situation of Great Britain, possessed of abundance of capital, as is proved by the low rate of interest, and with the redundant population of Ireland at command, is a case in point.

Again, if we take the term capital to mean the power of purchasing and consuming articles of exchangeable value, it does not necessarily follow that it will always be destined to the employment of the labouring population: its possessors may not be so satisfied with the rate of profit obtainable, as to be disposed to risk embarking it in productive industry. Neither does a fair prospect of gain necessarily cause production, even supposing that credit might supply any deficiency of means or capital. Men may decline availing themselves of that resource, and may prefer a moderate competency, with a life of pleasure, to the chance of obtaining a large fortune, if it is to be purchased by unremitting exertion.

Whoever will reflect for a moment upon the state of industry in civilized nations, must be sensible that skill and assiduity in workmen are quite unavailing, if there be no masters to employ them. The prosperity of a state in reality depends upon the habits of the middle orders; and

whatever tends to supply a constant increase of their numbers, and at the same time to excite their enterprise in commercial pursuits, will prove to be the most effectual mode of creating employment for the working classes. It should therefore be the object of the legislature to seize upon those means of assisting unemployed population, which go at once to the foundation of industry ; to supply means for lessening the difficulties that press upon respectable but not opulent families in all old states, and to animate them with a desire for commercial undertakings.

It is the chief boast of the colonial system of Great Britain, that it has accomplished and continues to accomplish both those points. The class of emigrants by whom the most important of her colonies are supported, belongs principally to the middle ranks of society ; and there are sufficient grounds to affirm, that the constant intercourse maintained between the mother country and her colonies has led to a positive increase of numbers in that class, together with a spirit of enterprise which, without such establishments, would never have existed.

Political writers of former times loudly deplored emigration, as directly diminishing population ; but more extended inquiry has corrected this notion, and has shown that the efficient check to population which operates with men in the upper or middle sphere of life, consists in the difficulty of

providing for their families, or the dread of losing their rank in society. When an opportunity is afforded to provide for the numerous branches of a family, it removes the principal difficulty of parents, and marriage is not regarded with apprehension, or postponed to a late period of life. In our colonies, an opening is presented to enterprising young men to advance their fortunes; and from the closeness and frequency of intercourse which subsists with the mother country, those possessions are constantly held in view when the difficulty of living reputably, or in a manner suitable to the customs of the community, first begins to press upon a numerous family. Man, if the terms of political economy be permitted to be so extended, may be considered like any commodity of commerce—the more he is in demand, the more he is likely to be produced; and so long as the colonial system of Great Britain exists on its present commercial footing, a never-failing resource is presented of upholding and augmenting the numbers of that class of the community with whom industry originates, and by whom the means of conducting it are supplied.

But if the advantages of colonies be great in tending to a growth of the productive classes, they seem still greater in calling forth exertion that we might look for at home in vain. It was remarked by the first settlers of America, that men will embark in pursuits in a distant land which they would be very adverse to engage in at home. In old countries, where trade in all its branches is fully

occupied, it is difficult for the younger members of families, or for men of limited means, to procure an advantageous opening for employment. Drudgery and, perhaps, in their eyes, a comparative degradation of rank, must be endured. But when they remove from the observation of their associates, this feeling ceases to affect them. They think only of acquiring a fortune; and although the means be irksome, they are voluntarily and cheerfully submitted to, because the comparison with the more easy and agreeable life, led by their supposed equals, no longer obtrudes upon their sight. Thus, the observation of Franklin meets daily confirmation, that in the Colonies individuals are seen actively engaged in the business of production, who, had they remained at home, must have been, in all likelihood, a burden on their families. The beneficial effects proceeding from this intercourse can only be appreciated by contrasting kingdoms, in which there is a constant flow of inhabitants to colonies, with those which have never possessed such an outlet. In the one, activity prevails throughout all the middle classes. The colonial intercourse establishes a reciprocity of wants, and introduces a spirit of enterprise, which is not confined in its effects to the immediate agents who called them forth. Those who remain at home, when they hear of the emigrants' successes, are incited to embark more extensively in trade, and to give increased employment to the labouring population.

In kingdoms destitute of this resource, we witness no such commercial industry; not because opportunities were less, but because there were not the same excitements. Dependent solely on domestic territory, commerce is limited in its attractions. It is necessary, perhaps, to commence in some retail business repulsive in its nature, and in which a sense of pride prevents respectable young men from engaging. Accordingly, a species of fictitious dignity prevails, and pervading the whole current of thought, manners, and habits, gradually fosters an aversion to trade. Without travelling abroad, this position may receive corroboration, on viewing the relative state of many parts of the districts even of the same kingdom. In Scotland and in Ireland, in particular, we perceive great differences in the ardour manifested for commercial enterprise, proceeding solely from adventitious causes; and we always find that those districts are most advanced and prosperous which have actively engaged in colonization.

Occasionally, the objection is heard, that the youths who emigrate are the most promising amongst the community: they are well educated; they are active and aspiring, and had they remained at home, it is reasonable to conclude that they must have enriched the parent state by the fruits of their talents and industry. Granting it true, that it is the best qualified who emigrate, it by no means follows that of those who remain at

home there is positively a diminution, either in ability or means to distinguish themselves in the acquisition of wealth or in the pursuit of honour. The very same causes which occasion an increase of inhabitants in the middle classes, will equally lead to a higher order of attainments being established among them generally. Parents soon discover that in a strange land, where their offspring are removed from the solicitude and assistance of friends, where they have to encounter the rude jostling of jealous competitors, superior education is the chief gift they can bestow to ensure their children's success. Numberless opportunities continually present themselves in our colonies for the attainment of distinction and of fortune; and, amid the crowd of candidates who press forward for the prize, he who can produce the best qualifications may, almost with certainty, anticipate success. Hence the high accomplishments of the youths we daily see quitting our shores for India, for the West Indies, and for other distant British possessions. They may be pronounced to be the most accomplished emigrants that any country has ever bred, and by their attainments they contribute, as much as the valour of our armies, to extend British influence and dominion over distant regions. The care and attention bestowed upon their education has its effect upon their associates, and may be said to influence the whole generation. From the increased scope afforded to merit all are benefited;

and thus the augmented efforts of instructors keeping pace with the incentives presented to those who are the objects of their care, produce the superior practical information diffused throughout the middle classes of the British people.

But, it may be said, this is delineating the favourable side of the picture only: pestilential climates cut off a large proportion of the adventurers; youths removed from paternal counsel plunge into dissipation; others fail in their pursuits, and pine away their lives in the bitterness of disappointment. Were the question to be viewed solely as relating to the happiness of individuals, we think it could be established that the mourning into which families are occasionally thrown by the premature death of some of their members, is more than compensated by the consolation they have derived in seeing those connexions at an early age cease to be a burden to their parents, and in progress towards their own independence. But the question is national; and it is to be decided by demanding, Do the deaths and failures, here alluded to, tend to drain or to diminish the sources of industry at home? The observations advanced relative to the principles which lead to the increase in the middle orders of society, answer in the negative. However numerous the deaths of British residents in foreign climates may appear to the casual inquirer, those acquainted with the principles of population know well the trivial effects of that decrement on the aggregate population, when contrasted with the

increment proceeding from early marriages. Even long before the principles of population were properly understood, the state of many of the Spanish provinces had led to inquiries into the effects of emigration, and given rise to opinions at variance with those previously received. It was ascertained that those provinces, Navarre, Cantabria, and others, which had contributed most largely to people the Spanish possessions in South America, proved afterwards to be still the most populous districts in Spain*.

This augmentation of inhabitants is of a very different description from that state of society where the labourers alone increase, not the better classes; where all hope of rising in the world is extinguished, and no provision for the future is thought of. It is scarcely possible for any extent of population to be too great, so long as in the general texture of the society there is a due proportion between the employers and the employed. But for the proper maintenance of the former class, in a country of limited extent, experience every where testifies that it is necessary to supply the means of increasing enterprise in a degree fully proportionate to the increasing number of labourers. It should always be kept in mind, that Great Britain is an island, and that all her land is sufficiently appropriated; sufficiently, because cultivation, if further forced, will not remove the evil under which she

* Details on this subject may be found in Ustariz, a Spanish writer of some authority.

at present suffers: it will multiply labourers, without giving the least encouragement to master producers. Therefore, assistance of some kind or another to this class is indispensable, or there will be positive retrogression of rank, and eventual diminution of industry.

Emigration of persons desirous to accumulate property will never take place on an extensive scale to foreign countries. Independently of the difference of habits and national character, the risk is great; and many unpleasant sensations arise in the mind of the emigrant when he contemplates the possibility of his being called upon, in the event of war, to bear arms against his native country. A preference, in the natural course of things, must always be given to colonies: besides superior personal protection, the laws relative to property are better known, and there is the consciousness of security to earnings under every political change.

But supposing the activity of character and thirst for adventure be so great as to induce persons to emigrate to some one quarter or another, and at all chances, surely it is fit for the legislature to weigh well the different effects which arise when that emigration takes place to colonies, compared with those when it takes place to foreign countries. Should the object in either case merely be to get rid of unproductive subjects without prospective advantage?

Assuming universal accordance in the general opinion, that relief afforded to the middle orders

of society, in the difficulties they encounter in providing for their offspring, must, both morally and politically, conduce to the welfare of the state, we now proceed to discuss this point, and to elucidate the more direct benefits accruing from colonies to the nation at large.

The emigrants are not lost to the mother country; the fruits of their labour are ultimately destined to enrich the land they have left, and to enlarge its taste for new gratifications.

It may safely be affirmed, that the profits of cultivation of every acre of land in the British West Indies, ultimately revert to Great Britain. In this case, the advantage cannot be said to rest merely on extension of dominion. There is, in the most direct and palpable manner, a source of wealth perennially flowing into the very heart of the parent state, and thence invigorating every branch of domestic industry. To return to the country of their birth is the universal and predominating desire of West India settlers. It actuates both those who have accumulated fortunes and realized their property, and those who still hold their plantations, but have surmounted the chief difficulties in conducting their cultivation. The property thus transmitted to England exceeds four millions annually; and it has averaged that sum for the last twenty years. From the treaty of Paris, 1763, subsequent to which our West India colonies rapidly rose to prosperity, down to the abolition of the Slave Trade, the net

income flowing into this country from those possessions exceeded two millions and a half annually, after paying all the expenses, and the profits of stock attendant on the conveyance of the slaves from Africa. Is it possible to conceive that this country has derived no benefit from this accession of wealth, or that it has not had a salutary operation in extending industry? Not a month, perhaps, passes without some extensive purchase being made in land from the earnings of colonial industry. The number of competitors thus endeavouring to vest their property in the soil of the mother country, has essentially contributed to the extension of tillage, and to the improvement of agriculture. Men who have acquired fortunes abroad, generally desire to purchase that description of property, from the possession of which they will obtain from the world the highest consideration. Having been the architects of their own fortunes, the love of improvement has become habitual to them; and if we consider the extent of their purchases during the last half century, together with their disposition beyond most hereditary land-proprietors to further improve those purchases, it may safely be averred that the colonial system has supplied more means of cultivating waste lands, and of extending the landed rental, than any branch of industry, foreign or domestic. One can seldom travel twenty miles in any county without hearing the names of those who have been successful settlers in our possessions abroad; some

of their descendants have been ennobled for public services, and their estates were all purchased from funds acquired in the colonies.

The wealth thus flowing to the mother country is so obvious, that no person could dispute the advantages of colonial dominion, provided he were convinced that that wealth is not obtained at the expense of more material sacrifices.

This it is our business to consider.

All the objections which it is conceived can be urged against the facts and reasoning adduced, may be compressed into two points.

First. The profits of colonial cultivation flowing into this country have been the returns of capital invested. That capital has been withdrawn from the mother country. Had it remained at home, profits of stock would have been equally derived; and in all probability greater advantages would have accrued than any attributable to the colonial trade.

Secondly. If the colonial wealth adverted to, be the gradual accumulation of industry, still that industry in other branches of traffic would equally have led to similar accumulation. Commerce produces wealth. West Indians making purchases in land merely do that which merchants in foreign trade, soap-boilers, tanners, and others who have made fortunes, do every day. Augmentation of wealth, therefore, ascribed to proceed from colonies, is not peculiar or supererogative; it merely exemplifies the extension of commerce generally.

In reply to the first point, it may be stated, that the capital vested in the colonies has chiefly been the acquisition of that trade. Comparatively nothing has been taken from other branches of industry. Had there existed in the mother country a fund which could have been more beneficially employed in some other quarter, but which was withheld and transmitted to the colonies, then there might be some reason in denying the extent of colonial gains. But no such fund existed. From the first commencement, it grew with the growth of the colonies. A settler in the West Indies, for example, accumulates a few thousand pounds; with that sum he ventures to purchase an estate of a sixfold value. Being unable to conduct its cultivation with his own limited capital, he seeks advances from a merchant on mortgage, and he relies on the lowness of his personal expenditure, contrasted with the returns of his estate, in a few years to pay off the mortgage and to have the property unencumbered. The merchant also, when he advances money on mortgage, equally advances the accumulations obtained from the colonies. Young men bred to business emigrate, and open warehouses of stores for supplying the wants of the colonists. By degrees they accumulate capital. To extend their business, they make advances to planters: from the acquisition of profits obtained on this advance they are enabled to make others; and thus arise those great mercantile establishments

connected with our colonies, which present so proud a specimen of our commercial power. It cannot, therefore, be said, that our colonies have robbed any other branch of industry of one farthing of capital, as many political writers have erroneously conceived. The great West India mercantile houses have grown from the prosperity of the colonies; the converse of the proposition is not true, that the growth and prosperity of the colonies are owing to the assistance of merchants. Cause and effect are sometimes intermingled, and act reciprocally upon each other. Such is the case in colonial commerce; but it is the resource possessed by the mother country in her colonies that originally prompted to the establishment of the trade, which put all the industry in motion, and which justifies us in characterizing those possessions, not as accessaries, but as principals in creating the wealth.

The second point, that the same industry now employed in the colonial trade must, in any other branch of commerce, generate the same fruits, has been in some degree answered already. It is very true, that it is the property of commerce to produce accumulations; but where is the proof that industry would be equally active in itself, or have the same materials to work upon without our colonies as with them? The springs of industry, according to our axiom, take their propelling movement in the middle orders of society. It was the first point to show, that colonization both augments the number

of that class, and incites them to increased enterprise. But independently of this inestimable advantage, it is easy to demonstrate, that the colonial wealth adverted to is peculiar, and would in vain be looked for without those possessions.

In European commerce, England exchanges her manufactures for the produce of some other state: both countries derive merely the profits of trade which the interchange produces. Not so in West Indian commerce. There the intercourse is a matter of national revenue, not of exchange. The profits obtained from the *cultivation* of the rich colonial lands are as much transmitted to England as the profits of stock earned by the commercial dealer, which, in any other branch of foreign trade, is the only thing contemplated.

If the Birmingham manufacturer transport his wares to France to exchange for wine, this country merely derives the profits obtained in working up the manufacture. The proprietor of the vineyard resides in another country, and his revenue is looked upon by all Frenchmen as forming one of the most secure and most important branches of the national riches of France. In place of this interchange with a foreign country, were England herself in possession of the vineyards, would it be denied that there was not a great increase of riches? of means within herself to support a more numerous population? consequently a great accession of political power. Sugar is much more essential

to our wants than wine. The value of the total quantity consumed of the former greatly exceeds that of the latter. At present, the sugar-grower is not only a British subject, but he resides within the very heart of the home territory. His income is so much net gain to the national revenue. Repudiate the colonies—sugar then will be obtained in the same manner as wine is obtained from France. But if, by supposition, we were to deem it advantageous to have a large English county south of the Isle of Wight producing us wine, must it not be more advantageous to have other districts, of still superior fertility, producing the more essential article of sugar; and compensating for the inconvenience of their distance by the necessity they impose for extensive naval communication. The West Indies, in the revenue they afford from their soil, are equivalent to five of the best counties in England. Their planters are analogous to English landlords. It is, therefore, most erroneous to class the colonial wealth constantly pouring into the parent state as merely the profits of commerce, and similar in its nature to fortunes acquired by merchants in foreign trade, by soap-boilers and tanners.

Manufacturers and merchants, exporting to the West Indies, obtain their profits on their shipments. If they acquire fortunes, it is proper to estimate them in comparison with merchants embarked in other branches of trade. In the next section, this more limited inquiry is instituted; and the advan-

tages resulting merely from colonial trade, in its confined sense, pointed out. At present, the object is to shew, that from colonies there is a positive increase of resources and wealth, in the same manner as results from any district of the home territory; nay, that the parallel is even in their favour, from their being different in climate and production, and separated from us by the ocean.

Extent of dominion does not always produce increase of power, because it may absorb the resources of the country, or disperse them to too great distance from the seat of government. But where, instead of draining off, there is constant resuscitation, it cannot surely require argument to show that large dominion is the source of strength, not of weakness. Before the benefit of colonies can be denied, it is necessary to show that wealthy individuals residing within the bosom of a state produce no advantage. A few speculative writers seem to maintain this opinion, and contend that the residence of those unproductive classes, as they are termed, advances not a country, either in industry or prosperity.

This is their theory: Prosperity is derived from the production of commodities. Men produce these either to use them or to exchange them. If the latter, what matters it if the interchange be effected far or near at hand; in the woods of America or in the next town. The Jamaica planter residing in England consumes the cloth of a neighbour-

ing manufacturer: Is there any proof that he would not equally consume that cloth if he resided abroad?

It is true, that commodities are produced for the purpose of exchange. That exchange will take place among five hundred thousand men, as well as among five millions, and among five thousand as well as five hundred thousand. Now, by following up this reasoning, we are to conclude that a small population is just as advantageous as a large one, if the large one be principally composed of consumers, since all that either can do is to exchange those commodities which they do not want for those which they do want.

It seems a waste of words to dwell on this doctrine, or to prove by regular deductions that great numbers of the affluent orders of society contribute to the greatness of a country; that Bath and Cheltenham, and many of the watering-places, supported principally by visitors from our distant territories, form no criterion of national prosperity, and that it would be as well to behold green fields in place of those flourishing towns. Let us even grant for a moment that the same custom which West India planters now give to their tailors, boot-makers, upholsterers, and tradesmen of every description, would continue in case they resided abroad; that industry itself and the incentives to it were rendered equally active by wealth removed to a great distance, as by its immediate

presence, which is far, very far, from being the case; still there is a decisive mode of demonstrating the advantages of West India residents among us, which renders speculative reasoning superfluous. Taxation in England is principally levied on articles of consumption. It is estimated that one-fourth of the income of the middle and superior orders of society finds its way into the public coffers. The amount expended in England by colonial proprietors exceeds four millions. There is thus upwards of a million sterling annually supplied to the national revenue by colonial cultivators. This is virtually a tribute which the West Indies pay to the parent state, and is quite unparalleled in its amount in colonial history. Not the Spanish colonies, in the hour of their grandest prosperity—not the colonies of ancient times, though plundered of their wealth by proconsuls, ever yielded so large a tribute, for continuance, as have the West Indies for a long series of years under the silent, voluntary, and salutary operations of commercial intercourse. Any investigation into the comparative utility of those possessions, must always take into the account this essential feature of their value. Its loss is clear national loss. Foreign sugar-growers will never reside in England.

Sometimes, undoubtedly, we hear the argument, that neither revenue nor income of any kind is obtained from our colonies; the expense of cultivation being alleged to be greater than the returns. This opinion, which is rarely met with among writers of

reputation, and which would not have been noticed had it not been advanced more than once in Parliament, is founded on statements continually exhibited of the great transfers of property which take place in the West Indies, causing the ruin of numbers of improvident speculators.

Great variations in price, proceeding from political causes, naturally lead to great changes in property, just as we witness in landed estates in England. But neither great changes nor individual ruin necessarily constitute collective loss: no matter how rapid the alternation between prosperity and depression among colonial proprietors; the nation has always been a gainer. Every pecuniary advance made for West India settlers, has gone out in the shape of manufactures. The total amount of manufactures exported will average four millions annually; the returns of produce upwards of eight. Is not the balance revenue? And if this state of things has existed in a proportionate degree since the first commencement of the colonial system, is it not absurd to say that, because some individual gave more money for his estate than subsequent events justified, there was national loss? Before that event take place, the expense of cultivating the West Indies, or the value of the exports of manufactures from this country, must exceed the value of the sugar, coffee, and rum imported.

Another class of writers dispute the alleged advantages resulting from the residence of colonial proprietors in England, on the plea that what the

mother country gains the colony loses, and that, in the political body, it is not wise to nourish the heart at the expense of the extremities. To these objections the answer shall be short, because the admission is implied, that colonies are beneficial; but it is said, a better distribution might be made of their industry. To support this plea, it is necessary to show, that if proprietors resided on their estates, there would be more industry in their respective colonies than if they resided in England. The point is disputed. Industry in the colonies is entirely agricultural. So long as tropical produce maintains its value in Europe, it will always be the interest of the colonists to raise that produce exclusively, and to purchase the manufactures they require, which will be more cheaply supplied from the dense population of Europe. The question, therefore, resolves itself into this:—Does the absence of colonial proprietors cause a diminution of agricultural industry? If not—if there be the same amount of cultivation as there would be were they present, it cannot be said that their absence is injurious. Concurring evidence has testified, that there is not a labourer in the colonies who may not obtain employment if he wish it in cultivating the soil, that is, in that species of industry which is most profitable to the colony. In this case how is absenteeism injurious? Their absence drives no person out of employment; their presence adds not to production. The case is obviously different from coun-

tries in which there is a redundant population at a loss for employment. Therefore it may be concluded, that the colonial proprietors reside in that place where their presence is most required to encourage industry and to advance the general interests of the empire.

Colonies, it would thus appear, in their most prominent features, stimulate enterprise, encourage the growth of master producers, and supply a continual source of employment to the British labourer. They truly form an integral portion of the empire; and if the community value the union of Scotland or Ireland, whose soil only yields corn, they ought to pause before they cast off provinces which produce articles of higher exchangeable value, and which immeasurably extend the taste for new gratifications.

If there be any correctness in this analogy, it must be admitted, that the mere exchange of colonial commodities with the manufactures of the mother country, must not only yield no benefit to the parties immediately concerned, but must inflict great injury on the rest of the community, before the sweeping condemnation can be pronounced, that our distant territories are cumbersome and useless.

Whether this trade, as it has been established by the colonial system, is beneficial or prejudicial, is the next point to examine.

The reasoning and illustrations in this Section, principally apply to the West Indies. To our other

colonies they may be applicable, but in diminished degree. It was not necessary, in this stage of the undertaking, to particularize specific differences, since they will easily be distinguished by the reader.

Section II.

The Consumption of Manufactures increased.

Though the colonial trade, in its confined and ordinary sense, the act of exporting cottons and woollens and importing sugar and rum, constitutes but a small feature in the advantages derived from distant possessions, yet it is the only one on which writers on either side of the question have expatiated at length. The colonies grew into importance under the influence of the mercantile sect. When that policy was in vogue, the object was to increase that branch of commerce which created a large balance of trade in favour of the mother country. All arguments in support of colonies were founded upon this doctrine. The political economists of more modern times have discussed the general colonial question in this partial point of consideration; and there are strong reasons for concluding that the fleeting opinions occasionally hazarded in public, inimical to extraneous dominion, proceed not from extended or accurate investigation, but are rather the rash conclusions of disputants who infer that the

colonial system is bad, merely because unstable arguments have been adduced by mercantile writers in support of it. It is possible, however, to arrive at last at the truth, though a wrong road be taken; and political economists of the present day will deserve the more severe reprehension if, besides condemning the whole on the evidence of a part, they have even in that part which they have discussed, fallen into serious errors.

Colonial trade, in the sense generally considered, imposes on the colony the obligation to use all the manufactures of the mother country, and to send all its produce to the mother country in her ships, for sale.

These restrictions, it is affirmed, constitute a reciprocity of injuries, not of benefits. The colony is obliged to pay more than it would otherwise pay for the manufactures it requires. The inhabitants of the mother country are equally compelled to pay more than is necessary for colonial produce.

To illustrate the case by example: Great Britain requires for her domestic consumption 10,000 hogsheads of sugar, worth suppose 500,000*l.*; for this sugar she gives in exchange manufactures of equal value: let us suppose that the colony could import the same manufactures from some other country for 400,000*l.* So far as the colony is concerned, therefore, it loses 100,000*l.*

This sum is not gained by the mother country. She has one thousand men engaged in raising

manufactures for her colony, which manufactures can be fabricated cheaper by another nation. The labour of these one thousand men then is misdirected. It is better to exchange the manufacture in which Great Britain excels with those in which the other nation excels, and to send the latter to the colony to purchase the sugar Great Britain requires. The labour of eight hundred men in this case will go as far as one thousand before. In obtaining, therefore, a nominally higher price from the colony for her manufactures, her industry generally derives no advantage; but in selling dear to the colony, she raises there the cost of production, and forces the colony to sell dear to us in return. The mother country derived no benefit from the high price she got for her exports, and she sustains a positive loss in the high price she pays for her imports. To all parties there is loss. Were trade free, were we not encumbered with colonies, the industry of Great Britain would naturally settle in the branches of trade which are best adapted to her; the labour of eight hundred men would purchase her sugar; she would be, consequently, a gainer by the labour of two hundred men by the loss of her colonies.

In this reasoning, there are two assumptions.

1st. It is assumed that, in trafficking with other nations, our productions are admitted into their territories with the same liberality, and on the same terms, as their productions are admitted by us.

2dly. It is assumed that, if our trade to the colo-

nies be superseded, by allowing other nations to supply their wants on cheaper terms than we do at present, we have within ourselves other commodities which we can produce cheaper than those nations, which we can always dispose of to them, to procure our sugar.

In regard to the first: It must be quite evident that, if all nations were to combine and levy high and exclusive duties on British manufactures, our trade would soon be restricted to our domestic consumption. The inhabitant of a foreign country, in purchasing an article for immediate use, considers merely its price; and if he reject the article for its dearness, he never considers whether that dearness be attributable to high duties, or to the high prime cost of the manufacture. Though we need not apprehend that a formal combination will ever be made against British industry simultaneously, yet many circumstances impel foreign states to encourage their own subjects at the expense of England. We have, within our home territory, no fine fruits, rich wines, nor any luxury to tempt the tastes of foreigners, and to incite them to industry, in order to compass the means of satisfying their appetites. We produce, in far the greatest quantity, clothing, which is common to most states, and which is not only common, but which it has been the policy of all governments to encourage specifically within their own dominions. Duties, therefore, we must expect will always be levied on

British manufactures; and their effect must necessarily tend, if not to supersede, at least greatly to circumscribe British industry. Before colonies are changed into foreign states, or, what is the same thing, before we seek to purchase from foreign states the productions which we now procure from our colonies, it is not misapplied time to investigate a few characteristics of our exports, and to judge from experience and analogy whether it is probable that their aggregate amount would be greater with or without our colonies.

The amount of exports to the United States of America, appears to have been, in

Woollens.		Cottons.	
1825 .	£1,960,594	1825 .	£2,260,935
1826 . .	1,227,535	1826 . .	1,416,027

In the same years, the exports to Canada and the British North American provinces were

Woollens.		Cottons.	
1825 . .	£308,563	1825 . .	£291,212
1826 . .	209,563	1826 . .	201,426

The population of the United States may be estimated at 11,000,000; Canada and the British American provinces at 900,000.

It appears, from this statement, that for every 2*s.* 10*d.* of woollens consumed by an American, the British North American colonist consumed 5*s.* 9*d.*; and for every 3*s.* 4*d.* of cottons consumed by the former, the latter consumed 5*s.* 5*d.*

These facts are important in themselves; but some circumstances remain to be considered which render them still more so.

The dependence of the colony upon the mother country for all minor articles of manufacture, constitutes one of the chief features in colonial trade. All ornaments for the person, decorations for the houses, even manufactured articles of the most common utility, are imported. An independent country always fabricates these within herself. It is reasonable, consequently, to presume, that if a balance is shown in favour of Canada in the leading manufactures, that balance will be still greater when we descend to the trifling ones, the value of which, taken collectively, reaches to a large amount. Now, in what predicament does the above argument of the free trade advocates stand. Those manufactures, it is contended, which Great Britain ceases to export to her colonies, she will make up for in other manufactures. Cottons and woollens are her staples, and they are expressly enumerated as forming her reliance under a system of open unrestricted commerce. They are those which she can most advantageously produce. On the loss of her colonies, she should export these in *larger quantities*, to make up for other minor articles, the export of which is totally superseded. But is this conclusion borne out by the best evidence we have for guiding our opinions? It is directly the reverse. Colonial consumption of these leading articles still continues greater than the consumption of independent nations, though there is an exact similitude betwixt them in manners and customs.

Surely, if it be admitted that we now dispose of

articles to our colonies, which, if the colonial system did not exist, foreigners would supply, it is indispensable to produce reasonable grounds that greater activity would thereby prevail in some other branches of manufacturing industry. But scan over all those branches, and let us know in what particular one we are to be compensated for the lost sale of numberless little articles acknowledged by all parties, from Adam Smith downwards, to be consumed exclusively by colonists. Hardware, and all our other productions, though consisting more of details, and not so easily estimated, present the same conclusions as cottons and woollens.

If the comparison be instituted with foreign nations, with Prussia, Norway, or Sweden, whose products correspond to those of North America, the contrast will appear still more striking.

To any reflecting man, the causes of this state of things must be evident. We send our goods *free* into our colonies: into foreign countries they come *burdened with duties.*

An opinion appears occasionally to prevail, that the commercial policy of foreigners is only accidental, and will not be permanent. Mr. Huskisson stated, in his speech of the 25th March, 1825, that the reasons why they continued restrictions on British manufactures, arose either from their ignorance of their own true interests, or their incompetence to carry their own views into practice.

This argument is best answered by the conduct of the United States of America. No antiquated system of commercial policy has ever shackled the trade of that country. It could freely embrace any system without deranging vested interests, or encountering the difficulty of abrogating laws long sanctioned by the tyranny of custom. But, unfettered by the alarms of the interested, it has continued to heap restrictions upon our manufactures.

In the year 1824, Mr. Huskisson passed an eulogium upon the advantages of free commerce, and called upon foreign nations to imitate the example of our liberality. In the following year, Mr. Rush, the Secretary of the American Treasury, imbodied the views of the American government in a Report well deserving the attention of statesmen. The principles of free trade were openly derided as speculative; restriction was made the rule for legislation; and the relaxations in the British code were met with increased duties on British manufactures.

These duties are as follows:—

	Per Cent.
On Woollens, up to the passing of the Act, 30 June, 1824, the duty was -	25 *ad valorem*
To the 30th June, 1825 - -	30
After that time - - -	33½
On Iron Manufactures - - -	25
On Cottons - - - - -	25

with a provision, that the value of cottons, with an addition of 10 *per cent.* on their cost, shall be taken

at 30 cents the square yard, and shall be charged with duty accordingly. This enactment is to encourage their coarse manufactures, and its effects may be judged of by the following particulars, given by an eminent English manufacturer.

Printed calicoes form the heaviest article of cotton manufacture exported to the States.

The value of those most extensively consumed, beginning with an article of respectable quality, may be stated as follows—

Manchester Nt. price, deducting debenture on Exportation.

11*s.* 4*d.* per piece 28 yards, containing 19.60 square yards, valued at 30 cents, the American duty would be 1 dollar and 47 cents, or 57 per cent. in place of 25.

On pieces costing 13*s.* 4*d.* the duty would be 49 *per cent.*
Ditto 15*s.* 4*d.* Ditto 42½

A piece of this last quality will contain about 6 lbs. of raw cotton, which may be purchased for 7*d.* per lb., the duty on which amounts to 2½*d.* On re-admitting this cotton in the shape of a manufactured article, it pays 6*s.* 7½*d.*, or 182 *per cent.* on the cost of the raw material.

It may not be irrelevant to remark, that the restrictive system seems sanctioned by the general voice of the American people. Facts are occasionally stated in their journals evincing the large amount of capital now vesting in manufactures; and in cottons, writing-paper, nails, and iron manufactures, the success is more rapid than has been witnessed

during the most flourishing periods of Great Britain *.

It must, in addition, be acknowledged, that no nation has ever yet arisen in which freedom of trade could be so reasonably presumed upon as in America. All her institutions are founded upon the principle of general equality. The character of her people, too, is commercial stamping its impress upon her government. Her national genius is directed solely to the practical arts, in which she plumes herself on her knowledge and attainments.

In such a country, if restrictive laws are formed, is it too much to be sceptical as to their abolition in Europe, when we consider the difference of government, the existing impediments, and the inferior practical intelligence?

We have still to consider the second assumption: Great Britain is on a level with other countries, that is, she has advantages which enable her to produce certain commodities as cheap or cheaper than other countries.

It is granted that we are rich in the natural elements of trade, but this is not sufficient; for it is quite possible, that, in changing the channels of industry, and competing in a more direct manner with foreigners than we do at present, we may subject ourselves to greater domestic injuries than that foreign trade is worth.

Let us imagine a country in which the labour-

* Vide Illustrations in Nile's Register, Sept. 1827.

ing classes are well paid, where they are accustomed to many articles of comfort in their habitations, where they consume two suits of clothing in the year, and where the habitual or natural rate of wages is fully established and regulated by a high state of artificial wants. Such a country must be at great disadvantage in competing with a neighbouring power where the state of things is exactly the reverse, and where the wages of labour are extremely low. No matter how great may be the natural facilities for prosecuting trade in the country distinguished for the high condition of its labourers—the more it is brought directly in contact with the poor country, the more are its apparent disadvantages in its high state of labour perceived. Capital, the great advantage possessed by the rich country, can be transferred. But this is not all. The master manufacturers are incessantly led to make comparisons in the cost of production between the two countries. In the rich one, perceiving where the pressure rests, they are constantly on the alert to seize every opportunity to mulct their operatives in the rate of remuneration given for their services. It is quite impossible for the condition of the latter to bear up against the reiterated and systematic efforts made to reduce it. Deterioration in their condition is effected, and loss, moral and economical, consequent on the procedure, befals the nation. The moral loss is obvious; and we might

pause to consider its effects, did we not fear that the cold and callous principles of the writers whom we are opposing would deem the theme irrelevant. The economical loss arises from the diminished consumption of commodities used by the labourers. It is erroneous to consider this merely in a domestic point of view, or to imagine that if the domestic trade is contracted, the foreign is increased. When a labourer purchases an ounce of tea or a pound of sugar in a grocer's shop, the transaction partakes both of foreign and of domestic trade. Reduce his condition, you reduce foreign trade; you lessen exportations as well as importations; for what avails it to the manufacturers that they export their calicoes at 4*d.* a yard in place of 5*d.*, if they seal up the mouths of the great mass of consumers, who would take off the foreign commodities which pay for their manufactures. It is possible thus for active competition with foreigners to be quite open, and nicely adjusted to natural advantages relatively possessed by each nation, at the same time that great loss may arise to one whose condition, from fortuitous causes, previous to the change, was superior to the other.

The case imagined virtually represents England in the year 1823, when the effects of the transition from war to peace were at an end, when all the occupations of industry were adequately supplied and properly adjusted to each other, and before the deterioration of our labouring classes,

since too fatally witnessed, had commenced. Let us apply the argument and illustration to the colonies. Great Britain is now induced to manufacture goods for the colonial trade, which she would not manufacture without those possessions. In virtue of the monopoly, she does not fear injurious competition in goods working up for colonial consumption, and there is not a constant incentive or necessity in this department of industry for manufacturers to reduce the condition of their workmen *.

The colonial trade supplies the country with by far the greatest quantity of those commodities of high exchangeable value which are *necessary* for our wants. Other branches are correlative and auxiliary. We are enabled, in consequence, to treat them as subservient, and to subject them to whatever regulations we please, or deem most expedient for the domestic interests of the empire. But if colonial trade be converted into a foreign trade, we shall no longer have this line of policy at command. We shall not then have any branch of trade which, properly speaking, could be called

* High wages, proceeding from high artificial wants, are not injurious to the capitalist, when protected from foreign competition, in the manner Mr. Ricardo erroneously supposed. The amount of aggregate wages being increased in relation to the amount of aggregate profits, does not necessarily lower the *rate* of profits, for example, from 10 to 9 *per cent.*, which is the only point which concerns the manufacturers. See this vital point of political economy investigated in the author's "Free Trade." Part II.

subservient, and on which we could levy protecting duties, taking it for granted, that whether restricted or not, subservient trades must flourish, so long as the principal trade flourished on which they depended. Manufacturers now engaged in supplying the colonial trade will have to change their business, and enter the lists with foreign competitors, striving to rival them in the cheapness of their goods. The very principles on which this reciprocal intercourse is established, prevent restrictions being imposed on either side; if one nation attempted it, it is presumed that the other would retaliate; we must, consequently, be deprived of all means of imposing adequate duties to protect our workmen, and then deterioration in their condition will ensue, because capitalists will have no branch of trade on which they can afford to give higher wages than exist in neighbouring nations. In this case, even admitting that a portion of our colonial trade is forced, it by no means follows that it is injurious. It may supply the means of establishing a greater portion of domestic industry among us; it may even greatly augment our foreign commerce generally; for, to habituate our labourers to the use of sugar and such luxuries at their meals, is a wiser way to increase the exports of cottons than by lowering the price of weaving.

The economists, indeed, mistake greatly when they imagine that every thing is accomplished on

an interchange taking place agreeably to trading advantages possessed by the respective countries. The British colonies require, it is said, silks and cottons. The cottons England can produce as cheaply as other nations; the silk she cannot. She ought, therefore, to supply the colony with silk through France, and pay that country with some of her other products. Were this done, as it is alleged it would be under the free trade system, mutual gain would be obtained, and the end of commerce established. Now it is evident that all this nice balancing of trade may take place, while the *quantity* of products is diminished. Great Britain is not bound to consume 200,000 hogsheads of sugar per annum. Circumstances may arise so that one half the quantity may suffice. The opponents of the colonial system take it for granted that a certain quantity she *must* have. The reasoning adduced may have created some doubts on the subject, and shewn how consumption will be diminished by domestic causes. If the labouring population be considered the chief consumers, such diminution will, to a certainty, ensue, should a change take place from a system where their high condition can be positively and efficiently maintained to one where they directly compete with labourers not possessing the one-fourth part of the artificial wants of themselves.

It was proper to examine the prominent positions of the free trade advocates in detail; but there is

one mode of putting the general argument, which seems at once and effectually to answer all objections urged against the encouragement of colonial trade.

Great Britain may impose upon her colonies whatever system of commercial policy it is most expedient for her to embrace.

All will allow, that certainty is better than precariousness. So long as rivalry and contention exist among states, interruptions must continually arise to their intercourse with each other. Governments of particular countries are prone to imagine, either that they have exclusive advantages at command, or that they can avail themselves of some imagined necessities of their neighbours. We have been so long accustomed to be supplied with tropical produce as regularly as we are with corn, that we rarely think of the consequences that would arise were the supply stopped, from war or other causes. The articles that we now import very extensively from foreign countries are principally the raw material employed in manufactures, in which a rise of price is of trivial consequence.

The value of manufactured cotton may, perhaps, be a hundred times as great as the value of the raw material out of which it is produced. When cotton wool, therefore, rises from 6*d.* to 3*s.* or 4*s.* a pound, as it did during the American war, the enhancement of price in the manufactured articles is comparatively little felt; but were such rise to

take place in sugar, the article would be beyond the reach of the great mass of consumers. An extensive branch of trade would be greatly reduced, many men must be thrown out of employment, and the sufferings of all directly and indirectly engaged in that branch must entail great injury generally on the nation. It would be impolitic and unstatesman-like to omit so material a consideration in judging of the advantages of importing tropical produce from British settlements, instead of foreign countries. If war be sometimes unavoidable, it is surely wise to diminish its evils.

One more peculiarity remains to be noticed. Commerce is dependent upon habits, customs, and fashions: a colony is at all times disposed to imitate those of the parent state in their most minute particulars; an independent state feels some pride in rejecting them for fashions of its own. Were English customs disseminated all over the globe, it is evident that a prodigiously increased demand for manufactures must ensue. Abridge the opportunities for disseminating those customs, abridge the foreign dependencies of Great Britain, and you circumscribe the exertions of British industry. To assume society in different nations to have certain wants unmodified by circumstances, or uninfluenced by example, indicates but little experience of mankind, and would constitute a charge of unpardonable ignorance against the practical legislator, destined to preside over the commerce

of a great trading nation. Certain proportions must uniformly exist between the imports and exports of a country. If the wants of the nation with whom you traffic be diminished, or, what is the same thing, if you take away her disposition to imitate your fashions, the proportions are disarranged, and the intercourse will become less. In dependencies owning allegiance to the British crown, this intercourse has a tendency to increase and to extend its influence to adjacent parts. In foreign countries it decreases as the arts and civilization advance. A new hat or coat of the latest London fashion is sought for in the one: in the latter, those articles are fabricated within the independent country herself, or they may be of the most approved shape of Amsterdam or Paris.

Section III.

Political Power augmented.

Nations will never command political influence among their neighbours from the mere boast of good government or love of justice, unless, at the same time, they be possessed of physical strength. Great Britain is known to be a great maritime power; and it is the consciousness that she can, at any time, with comparative ease, strike upon distant territories with impunity, that foreign

governments yield attention and deference to her councils. The number of her seamen forms the elements of that power, of which the colonies supply a most material part. The tonnage which cleared outwards from Great Britain, for her distant possessions, for the year ending 5th January, 1827, was as follows:—

Asia	110,275
British North American Colonies	331,250
West Indies	236,109

There are, besides, upwards of 65,000 tons engaged in trade between British North America and the West Indies, forming a general total greater than that possessed by most states in Europe.

It is quite notorious, that almost the whole of the American trade is conducted in American shipping; and since the relaxation of the navigation laws in favour of the northern European powers, the number of their shipping has increased in a ratio to alarm the ship-owners of Great Britain. On the loss of our colonies, therefore, we ought to calculate on losing the seamen employed in their trade.

But the writers who have pronounced condemnation on our colonial policy, while they broadly admit that we must lose our best seamen, argue, that our political power will sustain no injury. It is a very cumbersome and roundabout method, it is contended, to raise seamen for the navy by means of mercantile shipping. It would be much better

to breed up sailors directly in men-of-war. The number in the navy, in time of peace, amounts to about 25,000. Let the number be increased to 50 or 60,000, and kept constantly afloat, and the merchant service, as a recruiting source, would be no longer necessary, while the evils of impressment would be removed.

So many objections at first view present themselves to this argument, that it really seems superfluous to enter upon its formal refutation.

In the first place, it ought to be considered, that economy is one of the chief objects avowed to be held in view by the opponents of the colonial system. The remedy proposed to sustain our navy in case the source of its present vigour be destroyed, will be found, on examining the navy estimates on its present strength of 30,000 seamen and marines, to reach a larger sum than the whole civil and military government of our colonies costs at present! Inconsistency surely is a mild term for that description of reasoning which condemns the colonies for cost of maintenance, and which, at the same time, in providing for national resources now supplied by them, would entail upon the country a greater expense than that proposed to be saved.

The evils of impressment can, with as little justice, be affirmed to belong to a system which supports a large mercantile marine, as they can be said to be removed by the system which proposes to dispense with that marine. Its necessity is said to

arise from the difficulty, if not impossibility, of procuring, at a given time, a sufficient number of sailors to fit out extensive expeditions, which admit not of delay. In war, a large number of men must always be required beyond the peace establishment. It is surely evident, that if it be expedient to abolish impressment altogether, it is more easy to do so where a large mercantile navy exists, than where there is little or none. Out of a large body, there are always men endowed with the spirit of enterprise, and anxious to distinguish themselves, who might be disposed to engage in warfare rather than remain in the merchant service. The more numerous, therefore, the sailors, the greater is the likelihood of there being many volunteers. The consequences, moreover, ought to be considered, were the war to be of any duration, or were disasters to befal us, and destroy a large number of the men trained up to the navy, when there was no mercantile marine to recruit them. A long apprenticeship being necessary for the sea-service, it would be utterly impossible to bring up and discipline men so quickly as they would be required. After the lapse of a period comparatively short, our main defence might be nearly annihilated at the time that its services were most wanted. But when there is a large mercantile marine, we possess a constant source for recruiting, as well as the certainty of having a prodigious supply for national defence on any great emergency.

When men are removed from the mercantile service, ship-owners are immediately on the alert to supply their places; and, in some degree, this resource resembles that of a nation where a large militia is on foot, long practised to the use of arms, out of which an active army can at any time be embodied.

Besides these arguments, shewing that, in addition to greater certainty, security, and positive increase of power, impressment itself can best be avoided by the possession of extensive mercantile shipping, there is another point deserving very attentive consideration, both in an economical and political point of view. The military force kept up by different states is at all times relative. Great Britain keeps, at present, only a few ships of the line in commission, because no more are required, considering the comparative state of the navy of other countries. If the navies of other countries were augmented, Great Britain, in order to preserve her political influence, must do the same. Now, if Great Britain were to lose her shipping engaged in the colonial trade, its place would be supplied by foreigners; through which means they would become possessed of more seamen; and when they were possessed of the elements on which naval power is founded, they would be disposed speedily to call them forth. An altered tone in their political relations would follow the increase in their ships of war, and in what predicament would

England then stand? She must either resign her naval supremacy, or she must vastly increase the scale of her naval establishment. The love of dominion, associations connected with our country's pride, the renown stretching into every land, which naval power confers without endangering public liberty at home, would hardly permit many Englishmen to acquiesce in the former policy; and if the latter were persevered in, an immense expense beyond any contemplated in the plans of the economist must be entailed upon the nation. Indeed, the more we examine the expedients suggested in compensation for the loss of shipping to support our naval power, the more we perceive their inadequacy and insecurity. A long train of fortunate circumstances has placed England so decidedly at the head of the naval powers, that foreign nations accede to her superiority, and have no pretensions to rival her in the number of their ships of war. But let the source which feeds our power be reduced, while that of foreigners is increased, the case immediately alters, and they will be tempted to compete with us. We lose then both a relative and an absolute advantage, which we shall in vain seek afterwards to recover. History is replete with examples, warning us how rapidly nations rise into maritime pre-eminence on the declension of their rivals, and how rarely are recovered those national elements of power which governments have trifled away.

To illustrate more fully this branch of our subject, let us briefly pass in review those states who occupy the most prominent part on the political stage, and whose relations most bear upon our inquiry.

The separation of United States of America is frequently adduced as proving that the loss of colonies entails neither injury on the domestic resources of the country, nor on its political power; and on these grounds it is affirmed, that none of the evils adverted to would ensue, on the separation or loss of the colonies now belonging to England.

In one point of view, the case is not analogous, and in another the conclusions are disputed.

The capitalists of America, when the States were numbered among the colonies of Great Britain, did not reside in the mother country, as is the case with West India planters; neither was there any considerable amount of property there lent out as loans. When, therefore, the separation took place, there was not any domestic convulsion, as would assuredly take place on the loss of the West India colonies. But, with regard to the other point, there was a prodigious loss of political power, or, rather, we lost the germs of a mighty power rapidly rising into eminence. Would any person for a moment contend that Great Britain is as powerful without the American population and navy, as she would be if that population and navy were united to her own. Why should it not have been so, had England

been wise, and at the same time that she elicited all the resources and natural advantages of her colonies, also governed them with moderation. Canada, with a less genial climate, has advanced more rapidly under the sway of Great Britain, than the United States with their independence.

When we reflect upon the great navy which this young republic already possesses, approaching the nearest to that of England, we can judge of the consequences that would ensue were the remaining colonies of Great Britain severed from their dependence. The trade of America to Cuba is the most extensive existing in the western seas. In the estimate of her entire commerce, it stands the third in rank, the imports into America amounting to 7,556,412 dollars, and employing 115,481 tons of American shipping*. The consumption of tropical produce in England stands, to the productions of Cuba, in the proportion of six to one. If we cast off our colonies, and look to the west for our supplies, is there any reason to doubt that America, from proximity of situation, would not monopolize this prodigious trade in the same manner as she now commands that of Cuba?

On turning to the European states, instruction is gained, equally striking. Holland exemplifies, in a particular degree, the manner in which a great commercial state declines when the props that supplied her exclusive trade are removed. When that

* American Treasury Report, March, 1826.

country became the asylum of merchants from all parts, flying from the persecution of arbitrary sovereigns, commerce rapidly extended itself; by degrees the domestic channels of industry were supplied, and capitalists found great difficulty for the investment of stock. The encouragement of colonies presented a peculiarly favourable outlet for the employment of the redundant capital, and large settlements were formed both in the East Indies and in America. In time, the Dutch became nearly the sole carriers of the valuable produce of these regions, and along with their lucrative monopoly, arose many auxiliary branches of traffic, mistaken by political writers for a detached spirit of enterprise, but which sprung from circumstances, and were dependant solely upon the colonial system. In the high tide of this prosperity, the superficial doctrine was broached, that the interests of trading nations are at all times mutual, and that the prosperity of neighbouring states ought to be coveted by governments, as creating better customers for the products of their own immediate subjects.

Holland, to her cost, soon experienced the contrary. It was not of her own free will that she abandoned monopoly; she would have retained it if she could; but still her decline stands distinctly forward as an example to a nation having the option of retention or abandonment, and possessing the undisputed power of shaping her commercial policy by any rule she may deem most advantageous. It

is perfectly true, that in the commercial rise of France and England, Holland disposed of more of her wares to those states in consequence of their increasing riches and greater ability to buy them; but widely different was the case with regard to the commerce of Asia and America. Collateral with the increased wealth of England and France was an increased ability to trade *directly* with those continents. Exertions were made to establish and to secure that trade, and to wrest the monopoly from Holland. The desideratum of the reciprocity writers was strictly obtained; but it resembled a case where a tradesman enriched a brother tradesman with a view of increasing his custom by a few shillings, while in consequence of that brother tradesman's prosperity he was himself supplanted in his business, and robbed of a much richer customer, consuming to the extent of as many pounds.

The case of England appears analogous to that of Holland. From her colonial and foreign possessions, she commands by far the largest portion of the trade of America, and nearly the whole of that of Asia. This trade is artificial, because it makes England the depository for equivalents produced by different nations, which, in the natural course of trade, those nations would exchange among themselves without the intervention of England. If these possessions, which are the foundation of the system, be abandoned, must not

the same consequences take place as have already ensued in Holland? What are the legitimate grounds for an exception? Can it be said the capital of England is greater? That of Holland was so great in respect to the objects on which it could be applied, that the rate of interest was lower than 3 *per cent.* Could the industry be affirmed to be superior? The Dutch have ever been remarkable for steady perseverance, for frugality, and for that moderation and judgment in their mercantile views, which, avoiding injurious speculation, are the best calculated to ensure success. On the other hand, if it be contended, that when the props that supported the artificial trade of Holland were withdrawn, she declined, owing to her heavy taxation and financial embarrassments, have we no such evil to apprehend in England from the same causes?

Spain has often furnished a theme on which the enemies of the colonial system have dilated, as illustrating the enfeebling influence of colonial dominion: but this argument, within these few years past, has subsided. Her present situation abundantly proves that her consequence for the last two centuries was derivable from her colonies. Spain, of the present day, Mr. Canning observed in his speech, December 1826, was not the Spain of which the statesmen of William and Anne were so much afraid—not the nation whose puissance was expected to shake England from her sphere. No: Spain now enfeebled, degraded, was different from

Spain "with the Indies," within the limits of whose empire the sun never set. Still it appears, on important occasions, an acknowledgment is made by our best statesmen, indicative of the rule by which political influence and power is estimated, not indeed among speculative writers, but among those by whom the destinies of mankind are governed.

The entire resources of Spain for conducting the Peninsular war were obtained from her American possessions. Why did the Cortes fix the seat of government in Cadiz, or why were such strenuous exertions made to defend that city, but because it was the connecting link that enabled her to avail herself of the powerful assistance yielded by her extraneous dominion? Doubly should the fate of the Spanish colonies merit our reflection, and teach us wisdom. In the first instance, we should perceive the value of those possessions; and in the second, we should learn the consequences of their misgovernment.

The colonial history of France speaks volumes. Before the revolution she was eminently a colonial power: her single possession of St. Domingo was more than equal to all the British West India Islands. Thus, having within herself valuable resources and elements for commerce, many auxiliary branches arose precisely in the manner we have in a former section laid down. She distributed her tropical produce over the north of Europe, and purchased with it her hemp, her tar,

and all the naval stores she required. This interchange again created subsidiary branches, giving activity to many employments, but all strictly derivable from the main source of her colonial trade, which in its multiplied ramifications required so many branches to administer to it*. She was then a great naval power. She was possessed, in 1787, of

	Tons.
Shipping engaged in the colonial trade	302,540
Ditto ditto foreign trade....	152,829
Total French shipping....	455,369

The foreign tonnage trading to her ports was 433,599 †.

An official report, published much about the same time, stated her navy at 74 sail of the line, 62 frigates, and 29 corvettes, manned by 60,000 seamen. Had her government been at all equal to her resources, or to the genius of her people, she must have soon possessed commanding power, very different in its stability from that founded on military conquest. During the revolution her principal colonies were lost; and it is proper to inquire if she is now more formidable without them, and if

* Full information on this subject may be found in "Arnould sur la Balance de Commerce," a work published just previous to the French Revolution, where the advantages derived by France from her colonial trade are well illustrated.

† Vide "Commerce Extérieur." Par M. D. L. Rodet. Paris. 1825.

experience bears out the argument under examination,—that colonies are of no value, and that commerce left to itself, free and open, increases in greater ratio than when the competition of rivals is restricted.

It cannot be denied, that since 1790 many obstructions to internal industry have been removed in France, local monopolies have been abolished, invidious distinctions in respect to traders abandoned. The middle orders have acquired more importance, and with them there should be expected a general increase of trade. According to the arguments of the free-trade advocates, industry, so disenthralled of the ties that bound it, should extend itself in every direction, and commerce, keeping pace with industry, should require more ships to administer to its support than were in employment antecedent to the revolution. But such is not the case. The total French tonnage which entered the ports of France, not including the fisheries, amounted

	Tons.
In 1825 to	329,735
In 1826 to	355,776 *

being considerably less than what belonged to her in 1787. It is abundantly evident, therefore, that trade left to itself has not given compensation for the loss of colonies, nor produced the general result predicted by the censurers of the colonial system.

* From Official Returns by M. César Moreau.

But this is not all. Colonies are described to be pernicious, and the cause of directing capital into a channel less advantageous than that in which it would flow of its own accord. Consequently, it should follow that foreign commerce would increase in a greater ratio than colonial, in any country receiving at a given period a great impetus for general enterprise. But so far from this being the case in France, colonial commerce has of late years increased in a much greater ratio than foreign.

In 1820, when France had fully settled herself in the pursuits of peace, the entire French tonnage which left her ports amounted to 308,063 tons; of which, 83,000 tons were engaged in her colonial trade.

In 1826, out of her entire tonnage of 355,776, so large a proportion as 127,026 tons were employed in the colonial trade. Thus it appears, that while the foreign trade of France in French shipping remained almost stationary, her colonial trade, within a period of seven years, has increased in the immense proportion of fifty-four per cent.

This increase appears to be regular and progressive, and can only be caused by the greater advantages which colonial trade presents over foreign for the encouragement of shipping and navigation.

The following is an authentic statement of the general navigation of France for the years 1825 and 1826,

1825.

	ENTRIES.			CLEARANCES.		
	Ships.	*Tonnage.*	*Men.*	*Ships.*	*Tonnage.*	*Men.*
Foreign trade in French shipping	3019	243531	21659	3469	247260	25689
Colonial trade .	368	86204	5041	439	107047	6413
	3387	329735	26700	3908	354307	32102
Fisheries . . .	7716	94807	46174	8871	97165	52358
Foreign shipping .	4218	414670	35175	5994	400440	42263
	15321	839212	108049	18773	851912	126723

1826.

	ENTRIES.			CLEARANCES.		
	Ships.	*Tonnage.*	*Men.*	*Ships.*	*Tonnage.*	*Men.*
Foreign trade in French shipping	2997	247308	22263	3027	228719	22551
Colonial trade .	443	108468	6222	542	127026	7668
	3440	355776	28485	3569	355745	30219
Fisheries . . .	8619	109325	50299	9688	107943	54505
Foreign shipping .	4910	544682	41555	5308	432672	39425
	16969	1009783	120339	18565	896360	124149

The cabotage, or coasting trade, is not included.

According to this statement, the colonial trade of France, within the space of *one year*, has increased twenty per cent., or one-fifth, without any corresponding increase having taken place in the shipping engaged in her general commerce.

This short abstract of the colonial policy of neighbouring nations, it is conceived, will not be without its use. Neither the cost of ship-building nor seamen's wages, are higher in France than in adjacent

countries; and if, notwithstanding, she cannot compensate in her general trade for the loss of colonies, what is to be expected from England, where wages are 2*l.* 10*s.* per month in place of 25*s.*, and where a ship cannot be sent to sea for less than 22*l.* per ton, while foreigners can do it at 9*l.*?

We now approach that objection to the colonial system, which, in this mercenary age of figures and cupidity, has attracted some attention with the public. The expenses of government in the colonies are alleged to be enormous. For the purpose of discrimination, an account is subjoined of those expenses, taken from recent documents published by anti-colonial writers, which is selected to prevent dispute or cavil:

1	Canada	£397,629
2	Nova Scotia and New Brunswick	105,586
3	Newfoundland	13,285
4	Bermuda	28,193
5	Bahama Islands	8,808
6	Windward and Leeward Islands and Colonies	321,480
7	Jamaica	114,818
8	Cape of Good Hope	171,012
9	Mauritius	41,100
10	Mediterranean	234,643
11	Gibraltar	118,383
12	Sierra Leone and Gambia	65,395
13	Heligoland	6,809
		£1,627,141

If the colonies be considered as integral portions

of the British empire, in the manner pointed out in a preceding Section, it is improper and invidious to consider their expenses of government in a detached point of view, any more than it would be to consider the expenses appropriated to any other portion of the domestic territory. Were the expenses of governing Ireland contrasted with her revenue, the balance against her would appear enormous; and estimated by the rule of modern political writers, the sister kingdom would be a burden instead of an assistance. On the same principle, as Mr. Brougham has observed in his Colonial Policy, the expenses of national defence for five counties in the south of England amount to more than those of all the rest of the kingdom; and, therefore, if the new rule of economy were followed, the inhabitants of Yorkshire might bitterly complain how essentially they suffered from their connexion with Kent or Hampshire, which required for their defence an expenditure so much above the general average of the kingdom. National expenditure must always be judged of in reference to the provinces of the empire collectively, and never by the distribution expended on particular parts, which, from local circumstances, may require a larger outlay for defence than others. How are we to decide where dominion should terminate? If distance form the criterion of judging where the union of certain provinces is positively injurious, let us be informed of the exact degree of latitude and longitude where

the connexion should cease. Again, how are we to estimate distance as regards political dependence? Is it by taking compasses, like a geographical student, and computing it in miles on the map? We should think not. It should be estimated by the facility and frequency of intercourse; by the number and strength of the ties, affectionate as well as political, that bind the province to the mother country. In this point of view, there is closer connexion with most of our colonies than exists between many portions of the home territory. When the latest intelligence is casually demanded relative to our colonies, the name of the month is rarely added in the answer, so constant and regular being the information, that a day's news is presumed all that is sought by the interrogator. Trivial occurrences thus happening in Jamaica are frequently better known in Liverpool or Glasgow, than transactions passing in the adjacent county. The sea, as a great orator once observed, forms no criterion of boundary to naval empire; it separates other countries, but binds them all to Great Britain.

It would be difficult indeed to single out any portion of our dominions which does not yield advantages in some shape to the general weal. If we look not to Ireland for revenue, she supplies soldiers for our armies, and enables us to bear a more commanding front in our political negotiations. When the national faith obliges us to

send succours to Portugal, few would question the utility of that portion of the empire in raising our recruits. We now require a naval force to act against Turkey. May there not be some analogy between the utility of provinces furnishing us with sailors, and those furnishing us with soldiers? In regard to the former, the colonial trade comes to our assistance, and enables us to fit out armaments with vigour and promptness.

So much for consideration of the general principle; but on descending to details, considerable assistance, in reality, is given by the colonies to the charges of government, which, in common fairness, ought to be stated.

The four and a half per cent. duty on the produce exported from the Leeward West India Islands amounts to a large sum, and forms a very heavy burden upon the planters of those colonies.

Jamaica, besides defraying the expenses of the civil establishment, contributes so large a sum as 110,000*l.* a-year for the payment of the troops.

In addition, all the colonies are burdened with many heavy expenses, which are equally oppressive to them as if they appertained to the charges of government.

A number of patent offices, sinecures, and useless places exist, which are all paid by the colonists, either in the shape of fees or colonial taxes. Nothing can be more unjust than to censure the colonial system for these abuses, as inherent and insepa-

rable from it. They belong entirely to the government at home; and however persons in England may declaim against the corruptions to which they give rise, the colonists are most sincerely anxious to get rid of them. Increased means would then be at command to meet public purposes.

It may, indeed, be affirmed, that the heavy expenses of Canada are attributable to a misunderstanding on this point. The Canadians are neither unable nor unwilling to contribute more largely to their expenses of government, but before they do so, they demand the control over certain branches of patronage now in the disposal of the crown.

These observations must lessen very much the clamour too frequently raised without inquiry, against the expense of maintaining our colonies. In point of fact, on viewing the table, it must be evident, that much of the cost ascribed solely to one end, is not for colonial objects. It is manifest, moreover, that no saving would be effected on the abandonment of our colonies, unless their garrisons were disbanded. The opponents of the colonial system are, therefore, bound to show that the interest of the empire would be consulted in disbanding those troops.

We assume it as an axiom, that however peaceable, enlightened, and immaculately pure our government may become under the auspices of modern liberality, other nations will occasionally be audacious enough, if they fancy they have the power,

to trench upon our advantages. If we disband our soldiers, are we better able to resist our enemies than when we possess them, holding at command these stations which control international intercourse? Brian Edwards has adduced a variety of facts, and given sufficient evidence and illustration to prove, that in war the colonies have alone kept off its horrors from the coasts of Great Britain.

In case we possessed no extraneous dominion, is it to be supposed that the terrors of war would as now only be heard of at a distance, really serving as an exciting topic of conversation, rather than of alarm? The annoyance of our enemies would then be transferred from a distant quarter to our own coasts; and putting out of sight for a moment our loss of consequence, tarnished glory, and every thing prized most dearly by a lover of his country, we should be losers, even in an economical view; for we should be constrained to support troops for the defence of the home territory, the expense of which, under the colonial system, is partly defrayed by the colonists.

We cannot better become sensible of the importance of these considerations than by carefully considering the part which Great Britain, in former times, had uniformly to assume in the great federal connexion of European nations. Certain alliances for the purposes of trade were indispensable to her. To maintain the political balance, and to prevent the larger powers from usurping her place,

she was forced to travel out of her way to make many political sacrifices, in order to negotiate treaties on commercial subjects. From the time of Louis XIV. down to the last reign, this appeared the rule of her policy. The misconduct and bad government of her allies were, in consequence, continually embruing her in difficulties not of her own originating. But how different is now her situation! It may safely be affirmed, that she is not obliged to court the alliance of any nation on the globe for securing a vent for her products. In every case, she has more to give than she can expect to get; and if interference hereafter take place in European politics, it should rest solely on grounds of justice to the weak, and not for any selfish consideration of personal benefit. We have no occasion now to renew the Methuen treaty with Portugal: all its most prized commercial advantages we may derive through our own transatlantic settlements. Nor need we again lavish our troops and subsidies to Prussia, to preserve our trade in the north. The supplies we once solely obtained from thence, we can now obtain from Canada. On the other hand, if the preservation of national dignity force us to wage war with any of the great powers of Europe, we are not obliged to follow their operations into distant parts, and there maintain the colonial balance on the same principle as the balance of parent states is maintained in Europe; rivals in colonial dominion are no more. The

power of France in the East has terminated; and in the West Indies she possesses colonies just sufficient to excite her apprehension against the hostile arms of England, and to incline her to peaceful alliance.

But while we are thus independent, it by no means follows, that it leads to exclusion of friendly intercourse with our neighbours. The more we have in our power, the more likely is our alliance to be courted. It could never be for a moment supposed, that commerce, depending upon so many sources, and constantly in a state of change, could be tied down to any unalterable rule for regulation. Alliances with neighbouring states should always proceed on the basis of commercial advantages bestowed upon the subjects of the two trading states respectively. Is it not strange, therefore, that it has never occurred to the opponents of the colonial system to consider the immense resources which an English Minister has at command in foreign negotiation, were he to propose to open trade to our colonies under certain modifications. Supposing vague general views at an end in diplomacy; that commercial intercourse were not attempted to be guided by the detached legislation of this country alone, as has been the case of late years, but that it were made the subject of, and reciprocally regulated by, national treaty; that, according to the rule of common sense, if a boon were conferred on one side, equal specific advantages

should be conferred on the other; how much might not an English minister expect, if he understood his craft, and dexterously played upon the cupidity of foreigners, in painting advantages derivable from the opening of colonial trade. Who, having ever travelled on the Continent, is ignorant of the prodigal opinions there entertained of the value of that trade, both by governments and people?

Chapter II.

OF THE MEANS OF ENCOURAGING THE COLONIAL AND FOREIGN POSSESSIONS OF GREAT BRITAIN.

When a nation possesses a number of settlements, situated in different parts of the globe, but similar to each other in soil and climate, it is an object of the first importance not to create unnecessary or injurious rivalry amongst them.

It is proper, therefore, to discriminate the principles on which the regulations of the parent state should be founded.

The possessions of Great Britain may be divided into two distinct classes :—

1. Colonies peopled by Great Britain, which are essentially identified with the home territory —such as the West Indies, Canada, and New South Wales.
2. Possessions peopled by foreigners, which have been conquered by force of arms, or ceded by treaty; these are, the East Indies, Ionian Islands, and some settlements in Africa.

A very short outline will show the advantages which the former possess over the latter.

In colonies, it has been observed, that both ends are British: the capital employed in supplying

them with manufactures from the mother country, and the capital employed in raising the produce of the colony. Their commerce, therefore, is essentially domestic.

The possessions peopled by foreigners have but one end British; that engaged in supplying them with manufactures. It cannot be said that the profits arising from the cultivation of their lands directly benefit the mother country. These possessions are valuable, merely because they give security to trade, and extend the political power and influence of the parent state.

In addition to this leading feature, in which colonies differ from conquered territories, it is evident that, in the former, wider and more efficacious means exist for the dissemination of British manners, and with them a predilection for commodities produced by British industry. The beneficial effects of this operation have already been illustrated with regard to colonies compared with independent states; but it is evident that colonies have also the advantage over conquered territories. If 500*l.* be expended in the furniture of a house, after the eastern fashion, probably not 50*l.* worth of it may be of British manufacture; but in a British colony, daily imitating every change of fashion in the parent state, the minutest item would be British.

Another advantage which colonies possess over conquered territories, consists in their greater security. Colonies are so closely identified by

interest with the parent state, that, if properly governed, they must always participate with her in political feeling. If broils arise within them, or if separation take place, it must result from bad government, not from any inherent effect in their creation or establishment. The easy communication, the great amount of capital invested, the division of mercantile houses, some of the partners residing at home, some in the colony, the constant influx and efflux of inhabitants to and from the colony, establish an identity of interest and a community of feeling, which virtually guarantee the allegiance and safety of the colony, unless gross error or infatuation sway the public counsels.

But dominion seized by force over a conquered people must always be precarious. Fear prompts to obedience; but a stifled sense of injury still burns within the breasts of the inhabitants, ready to burst forth when opportunity should offer. Though equitable laws and judicious administration may mollify asperities amongst the conquered, still there cannot be full, unlimited security; and it behoves the British statesman to keep constantly in view these considerations, in order that the people of the parent country, over whom he more immediately presides, should not suffer violent convulsion by the loss of their foreign territories.

These grounds appear conclusive for giving preference to particular branches of cultivation in the different possessions.

It is undoubtedly the policy of Great Britain to adapt to the local circumstances of each its peculiar cultivation; but where mutual advantages exist for the production of leading articles in commerce, and where they clash with each other, the grounds of preference ought to be determined according to the principles here stated.

It is now proper to point out the peculiar features of the numerous possessions of Great Britain, with a few suggestions as to the best mode of promoting and extending their trade.

Section I.

West Indies.

Sugar is the chief article produced by the West India planter; and many circumstances conspire to render it the permanent staple of those countries in commercial legislation.

The local situation of the West Indies, consisting of a number of islands, or of settlements on the coast of America, abounding with excellent harbours, and affording every facility for navigation, secures its easy and regular transport to the mother country. In an article of large comparative bulk this is an object of some importance. So long as we command the seas, we are at all times, in peace or war, not only sure of obtaining our full

quantity of sugar, but of having our supplies at stated and regular periods. During the war, we looked to arrivals of our fleets in the Autumn, with just as much certainty as we reaped our harvests of grain.

The next reason for making sugar the staple of the West Indies, arises from the encouragement it affords to other possessions of Great Britain, the beneficial effects of which revert to her, and which would not be obtained without the West Indies. This encouragement refers to the fisheries, to Canada, and our other North American Colonies. It is quite evident, that a principal portion of the timber trade of those provinces supplying staves and boards, is dependent upon the cultivation of sugar. This trade, which is truly important in itself, is conducted either in British or in colonial shipping, which invigorate and extend our naval resources in that quarter where hereafter they are most likely to be required.

These arguments, in considering sugar as the chief article to be encouraged in the West Indies, not only suffice to guide us for the future, but they seem to have dictated the policy of the past; a policy clearly set forth in the preambles of many acts of parliament, and confirmed by specific enactments. In consequence, extensive works have been erected to facilitate the cultivation and manufacture of sugar; appropriate buildings and accommodations have been erected in the parent state, and

investments of every kind made under the faith that both policy and law guaranteed the continuance of the same system.

The propriety of generally encouraging the West Indies must, in the existing aspect of political affairs, be more apparent than ever. The rise of many independent South American states has given our possessions a consequence in the balance of power in that quarter which they did not previously possess. From the conveniency of their situation, as regards both North and South, they seem formed by nature to be the medium of commercial intercourse, and the depositories of goods on transit passing from Europe to America.

Independently, thus, of direct trade, Great Britain, under judicious regulation, should anticipate a growing carrying trade in making her West India colonies the *entrepôt* for goods supplying the South American market. The great extent of our domestic commerce with our colonies, occasions assorted cargoes to be almost daily shipped to them; and this frequency of communication must naturally be an inducement to sellers of every description to ship from England, and thus give us a preference in the carrying trade. At the same time, those who wish to buy frequent that port where there is the greatest facility of procuring any article required. South America is as yet thinly peopled. The towns are far separated from each other, and scattered over a great extent of country. Entire

cargoes shipped to one port would cause a glut, and be attended with loss. Hence the inconvenience, and indeed impossibility, of purchasers procuring what they require at any place in their immediate neighbourhood. The expense of two freights becomes a trifling consideration compared to the certainty of having every variety of new and fresh goods at the precise time they are required. The distance of these depôts from the South American provinces admits of a personal intercourse for purposes of traffic, and it is well known that the Spanish settlers prefer that mode of traffic to one by epistolary correspondence. In addition, it ought to be stated, that mercantile houses in the colonies must be better qualified, from their local situation, to conduct this trade than parties in Europe. They know better to whom to sell on credit, and to adjust their orders to the wants of their customers. Now, it is all important to reflect, that, if this trade be worthy of the encomiums bestowed upon it, it derives its invigorating influence from the direct and proper trade to the West Indies, thriven to its present extent by the long cultivation of sugar.

Section II.

Canada and North American Provinces.

The great utility of these provinces consists in the certainty of their supplying Great Britain at all times with such commodities as are of absolute necessity to her naval pre-eminence. Let us fancy for a moment what this country could have done without those provinces in the last war, when the Baltic and the North of Europe were shut against us, and when we were engaged in hostilities with the United States.

But if a period of war be rejected as a criterion for judging of commercial intercourse, still in times of peace the possession of certain resources within our own territories operates as a salutary check upon other states, whose governments might fancy they have exclusively within themselves commodities which we cannot do without.

When Great Britain was dependent upon Sweden for her naval stores, she was forced to pay a duty to the Swedish government, exclusive of the cost of the supplies. And although, under the more enlightened notions of commerce in modern times, the policy which dictated this conduct may not again occur in its full extent, yet restrictions less obvious in their nature may still be imposed, disadvantageous to this country.

The adjustment of treaties between states re-

sembles in some degree the trafficking of merchants. When there are necessities on one side, a disposition will be shown by the opposite party to avail itself of them; and if they are not directly stipulated for in the treaty, some indirect equivalent, touching either navigation or manufactures, is generally obtained. Thus, even assuming perpetuity of peace, the possession of the North American provinces enables us to negotiate with the northern European powers on bolder and less shackled terms than if we had a boon to ask, and had to truckle to their friendship. Above all, they prevent us from acceding to views of the United States, which otherwise might rest at her absolute dictation. Never was this so strongly manifested as in the correspondence of the American plenipotentiary, Mr. Galatin, with Mr. Canning. The supply of the West Indies with the products of North America is a most valuable branch of trade to the United States. Great Britain, possessed of Canada, in reality is perfectly independent, and can do without that source of supply for her West India Colonies. She is at liberty, therefore, exclusively to consult the benefit of the collective interests of the empire in any negotiation, unconstrained by any demand or stipulation which the States might impose. But if her American possessions be abandoned, she ceases to have this relative advantage. The United States will then have at command the choice of alternatives; and

when we contemplate the history of her commercial regulations, her aspiring ambition, and her manifested anxiety to hold at command the whole intercourse of the Mexican Gulf, is it at all reasonable to conclude that she would decline availing herself of advantages so placed within her power?

It ought, moreover, to be stated, that, however strongly the different states of America may be bound together in their political union, there is not much commercial cordiality between the Western and Eastern territories. The inhabitants of the former chiefly look to cheapness in the purchase of manufactures, and care but little whether the article is made in England, or by their own fellow-countrymen. The immense and fertile district of Upper Canada, rapidly increasing in prosperity, and communicating by the great lakes into the very heart of the American continent, furnishes an outlet for British manufactures which no fiscal regulations could prevent. We hold, in fact, means to counteract hereafter the envy of the federal government of America, in levying high prohibitory duties on British goods; and when the western states are fully peopled, we must continue to supply much of their domestic consumption of manufactures.

From this outline, it is easy to perceive the peculiar description of commerce which should be encouraged in Canada. We can do so, without in any degree militating against the collective

interests of the empire. But to elicit the full capabilities of British America, some further regulations than those now in being may be necessary.

The great difficulty which any new settlement experiences, whose industry is chiefly directed to agriculture, arises from the want of a market for its produce. Had all the United States of America been similar in soil and climate, or pre-eminently well adapted for the culture of grain, her advance would have been far less rapid than it has been. Cultivating, in the south, commodities different from those of the north, the peculiar wants of each district have caused reciprocal action, and administered to the industry of the other in a degree never witnessed in any other territory under the same government. We are only accustomed to regard her extension of foreign or export trade, resulting from her diversity of resources; but, in reality, the domestic trade of America is aided in a still superior degree by this diversity, as well in the direct interchange of leading commodities, as by numberless collateral branches which spring up to supply means for conducting them. In British America, equal, perhaps superior, natural resources exist. One part is purely agricultural; the other possesses pre-eminent maritime advantages. Nova Scotia and New Brunswick are so favourably situated for the fisheries, that, under judicious management, they should supply the West Indies and almost all South America. By directing the entire of their

resources to this pursuit, a great demand must be created for flour, for provisions, beef and pork, and other articles of agricultural produce, which can be more advantageously raised elsewhere. The Canadians would then find a market for their produce, and get relieved of the chief obstacle to their advancement. It will ever be found, that so soon as large maritime towns are established, creating extensive consumption, the surrounding country immediately advances to prosperity and importance. When we consider the prodigious and increasing supplies of fish required for the West Indies and South America in particular, any province possessing their trade must attain peculiar importance. Great Britain, it may safely be affirmed, possesses, in North America, the elements for this valuable commerce; and if she allow herself to be supplanted, it must proceed from mismanagement. Of the means recommended for its encouragement, the naturalizing of expert foreign fishermen appears the most expedient and efficacious. Local residents, best competent to judge, have declared, that the share system, dividing among the crews the cost of equipment, increases enterprise, and prompts to accumulation of capital. In this case, this system should be sanctioned by express law, and institutions framed for its adoption. A board also should be established at the most convenient site, with extensive functions, to watch over the trade, and to frame such regulations as would prove most serviceable to forward the interests concerned.

Under the combined effect of these branches of trade, we are not guilty of hyperbolical expression when we affirm, that it requires a stretch of the imagination to compass the manifold advantages which would result to the British empire.

The West Indies receives from Nova Scotia and Newfoundland their productions; and being made *entrepôts*, they distribute those supplies over the vast extent of the Spanish main: flourishing marts rise in those sea-girt North American provinces, producing a numerous and a hardy race of seamen. The Canadian farmer finds in these towns a market for his produce, and rapidly advances in affluence. The mother country participates in the combined prosperity of the whole; she experiences an augmented demand for her manufactures; acquires an outlet for superfluous capital; gets relieved, in peopling Canada, of redundant population; and obtains the means of vastly extending her maritime power.

Section III.

East Indies.

Wherever a population is already found, it is an old remark, that legislation must do the rest; and it is naturally imagined, that we have the intrinsic

means of creating commerce and power. British India numbers upwards of one hundred millions under her control; and when it is considered that these are virtually subjects of the British Empire, the most casual inquirer cannot but feel surprise at the small intercourse which takes place between so mighty a territory and Great Britain. It is common to hear loud complaints against the arbitrary government, the unjust persecution, and the rapacious exactions of the India Company, as destructive of all security of property, and as paralyzing the exertions of industry; but the better informed will by no means acquiesce in this general charge, and will point towards home, to show the difficulty of raising an entire people from poverty. In the present state of Great Britain, it is, perhaps, her most important commercial object to avail herself of the resources of India, which the situation and population of that vast territory induce us to conclude must be prodigious. For this end, many writers have investigated, at great length, her capabilities for certain kinds of cultivation; and have recommended this and that article of extensive demand in European commerce, as a sole specific for advancing her in riches, and increasing the outlet for British manufactures. They have neglected, however, the most important part of the inquiry, and have not considered to whom the benefit would fall, on the successful prosecution of their plans; probably forgetting that many preliminaries have first to be esta-

blished, before any great outlet for our commodities can be expected to be obtained.

If we examine into the nature of our foreign trade with any one country, we shall always find that its extent is proportioned, not to the number but to the condition of the people with whom we traffic; and if we go a step further, we shall discover, that the condition of those people is not dependent upon their foreign, but upon their domestic, commerce. Why should we adopt a different rule in regard to India? Men must partake largely of commodities raised at hand before they think of those that are foreign and come from a distance. To establish the use of the latter before the former exist, is not only to begin at the wrong end, but it really appears a most superfluous waste of labour. Industry gradually proceeds from the most simple exchanges of the first necessaries of life to those that are comparatively artificial; and when, through accumulation of property, there is progressive increase, the possessors expend their augmented income in the purchase of foreign commodities.

The hereditary customs to which the Hindoos adhere with religious pertinacity, will prevent, for a long time, the extensive consumption of articles made after the English fashion. But if prosperity arise, there seems no reason why Great Britain should not fabricate articles after the oriental mode, in the same manner as she has already supplanted

some manufactures which at one time were indigenous and peculiar to India. British power is now so well consolidated in the East, that if the government be judicious, we may look forward for a long peace. The cessation of predatory warfare will effect an entire change among the inhabitants; and it should be the object of the sovereigns of that territory to seize at once upon the opportunity now given them, and to hold out every encouragement for a better cultivation of the land, and for a general accumulation of property. Whatever may have been the rapacity formerly practised by the servants of the East India Company, it has now subsided; and there is concurrent testimony to prove the civil and internal administration to be not only judicious, but mild and equitable. Under this chief incentive to industry, all that is required is to inspire the Hindoos with a thirst for opulence, and the enjoyments of civilized life. The time, we fear, is not yet arrived for the naturalization of British settlers in the interior of the country. We are still viewed as conquerors domineering, by dint of power, where we have no right to govern. Suppressed hatred must still exist, and it can only subside by showing to the natives that our chief object is not exclusively to advance our own countrymen, but to raise the natives themselves to affluence. From the structure of society, no means appear so well calculated to attain this end

as what is recommended by Mr. Stuart, Judge in the Benares division*, that of restoring the regular aristocracy of the country. By adding to their numbers, and making *success in productive industry* the test by which that rank is to be attained, we may awaken emulation and enterprise that will change the current of thought, and powerfully conduce to promote civilization. Every exertion should be used to restore the old cities to their former consequence; to remove impolitic duties and exactions upon their traffic; and to impress upon the minds of the Zemindars and inferior functionaries, that, since turbulence and warfare have ceased, their advance must in future depend upon their zeal in promoting the peaceful arts. In a great country remarkable for the diversity of its products, the establishment of cities and towns secures what is so necessary to commerce, an extensive and constant market for commodities of every kind. The very circumstance of these commodities being congregated together, leads to extensive consumption. All the sites, therefore, presenting great facilities for communication should be searched out, and new towns erected, which, in time, might reach such an eminence as to perpetuate the name of their founders. In these new societies, many helps might be established to promote the interests of trade, keeping in view two

* Fifth Report to Government, p. 574.

leading maxims, 1st. To make success in productive industry the chief ground for distinction; 2dly. To clothe this design with some ostensible device, and innovate as little as possible upon the prejudices of the natives. Besides the many additional employments that would arise in these cities, agriculturists in the neighbourhood would flourish; and, from the increased riches of all classes of the people, it would then be found, but not an instant before, that means existed for an extended consumption of foreign commodities.

When the domestic commerce of India had thus so far increased as to afford the means for an increase in foreign, it would then be proper to consider the articles which should be raised in India, to exchange or pay for the foreign articles imported. The government of a country can, unquestionably, by regulations, foster some branches of employment more than others. It is of the utmost importance to make judicious selection in time, before capital is invested. Two rules present themselves for guidance: 1st. To choose those which, from the nature of things, present the greatest prospect of success; 2d. To take those which shall not needlessly supplant cultivation in other parts of the empire: to *add*, in fact, to the general resources, not to leave them *the same* or *diminished*.

Spices, drugs, and dye-stuffs, from time immemorial, have constituted the natural riches of India. Greater facilities exist for their production there

than in any other quarter; and it is natural for us to look for the supply of these valuable articles for the payment of a considerable portion of British exports. These articles minister rather to the luxuries than to the necessaries of life. Their extensive consumption depends upon their cheapness, and the readiness with which they can be procured; and if they were brought more within the reach of foreign nations, they would be consumed in larger quantities. It seems expedient, therefore, to allow greater latitude to their exportation, direct from India to any country, without being brought in the first instance to England. Free trade, in this particular, does not supersede branches of established trade, but, rather, creates new ones. The population of India would derive great advantage in getting a more extensive sale for those commodities, to the production of which they are already habituated.

In regard to those articles which will depend chiefly on the British market for sale, and which, if imported from India, must more or less supersede importations from other quarters, it is truly essential to adhere to the first rule, and consider those in which there really is a prospect of obtaining permanent benefit.

Cheap labour is the characteristic feature of India. It is less than the one-fourth part of that of the cheapest country of Europe. Now, it is evident that there is most prospect of success in encouraging that

article, in the production of which manual labour is of necessity required. It is folly in the extreme to encourage the cultivation of articles in which high or very extensive machinery may be used. All natural advantages are at once surrendered, and funds and capital are wasted in forcing cultivation where no peculiar advantage exists; while others are neglected in which, from natural advantages absolutely at command, perseverance is alone required to ensure success.

Cottons, silk, hemp, and sugar are the articles generally considered as demanding the immediate encouragement of the India Company to extend our commerce with their territories.

It is not a little singular, that, according as particular interests have urged the claims of each, the leading maxims just laid down should have been utterly disregarded.

Cotton is now the most extensive article of importation in British commerce. By far the largest supply we receive from America; and being tributary to her for so large and necessary a commodity in our present mercantile relations, we have judged of her disposition to avail herself of her advantage by the facts stated in the preceding chapter.

Sound policy behoves us to lessen this dependence; and as *manual* or immediate labour in the cost of producing cotton stands, to fixed capital, in the proportion of 10 to 1, India ought eventually to beat every competitor from the field. Where

wages are estimated in pence in the latter country, they are estimated in shillings in America; and while this is the case, perseverance seems alone required to procure any quantity, and to adapt the quality of the article to the British market.

In the production of silk, manual labour may not enter in so large a proportion as in cotton; but still the natural advantages of India are great—perhaps unrivalled. English fashions are daily bringing this beautiful article more into use.

Hemp requires in its production as much manual labour as cotton, and for its supply we are solely dependent upon foreigners.

These articles are all so extensive in commerce, that their importation from India may be carried to an extent far more than able to pay for any conceivable export of manufactures that we can hope to make from Great Britain to that quarter. They interfere not with the trade of any other possession, and in making choice of them we do but draw forth those capabilities of India most likely to produce permanent benefit.

With sugar the case is very different. To force its cultivation in the East, is to nourish one limb of the body politic by the destruction of another. Still more apparent must be the impolicy of the attempt, when it is considered that there is no raw article raised from the soil, in the cost of producing which machinery or fixed capital can so largely enter. In the British continental colonies of South Ame-

rica, where sugar plantations are on a large scale, where the steam-engine, canals, rail-roads, and cranes have been introduced, fixed capital stands to manual labour in the proportion of 2 to 5. In cotton, as already stated, even in South Carolina, where the cleaning machine has been introduced, it is as 1 to 10.

The peculiar advantages of India, therefore, can hardly apply to sugar: its cultivation must be forced, and a great expenditure of means heedlessly squandered to raise an article that, notwithstanding the cheapness of labour, may be better raised elsewhere.

This point we shall presently illustrate in detail. In the present section the object was, to point out the general principles which should govern both the East India Company and the British government in eliciting the peculiar capabilities of our Eastern empire.

Section IV.

New South Wales, Asiatic Islands, African and other Settlements.

The same policy should be pursued in respect to our colonies in the East as has been recommended for Newfoundland and Canada. We must make the wants of one administer to the wants of another;

advance them by intercourse among themselves rather than by single or detached communication with the parent state. China, from her excessive population, requires a prodigious supply of articles of sustenance. New Holland possesses inexhaustible means of supplying it. Might we not here have objects for a mission to his celestial majesty, on the subject of commercial intercourse, conveying very different impressions from that produced by the flimsy and ostentatious specimens of British industry sent out with the last embassy. Judging of the indefatigable industry of the Chinese, we might at some future period look forward to mutually beneficial intercourse between these great Asiatic countries, from the united effect of which Great Britain will step in for her share of profit in the sale of her manufactures.

The African settlements:—the heart sickens at the waste of life devoted to this pestilential climate. If we seek to extend commerce and civilization by the medium of the British possessions, we can only do so by parcelling out the land among the chiefs; perpetuating its possession in their families; and by giving them a legal right over their peasantry to force them to cultivate it.

The remaining settlements of Great Britain may rather be looked upon as political stations than as possessions retained for purposes of commerce, and therefore come not within the province of our inquiry.

Chapter III.

EXAMINATION OF THE RESTRICTIONS IMPOSED ON THE TRADE OF THE EAST AND WEST INDIA BRITISH POSSESSIONS.

Sect. I.—*On West India Trade.*

However writers may disagree respecting our reciprocity system with foreign nations, few will question its applicability between interests engaged in the different branches of production within our own empire.

The colonial system is characterized by two predominant features. 1st, It imposes regulations upon the colonists for the benefit of the subjects resident in the parent state. 2nd, It extends protection to the colonist in order to increase that benefit, and make it more durable and certain.

It is proper, therefore, before we go further, to investigate the first branch in detail, and to examine the restrictions which, from time to time, have been imposed upon West India trade.

The plantation trade seems to have been the leading object of the celebrated Navigation Act, 12 Car. II.

In the first section of that statute it was enacted, that no goods or commodities should be imported into or exported out of any lands, islands, planta-

tions, or territories to his majesty belonging, or in his possession, or which may hereafter belong unto, or be in the possession of, his majesty, his heirs, and successors, in Asia, Africa, or America, in any other ship or vessel but in such ships or vessels as do truly and without fraud belong only to the people of Great Britain, or are of the build of and belonging to any of the said lands, islands, plantations, or territories, as proprietors and right owners thereof, and whereof the master and three-fourths of the mariners at least are English, under pain of forfeiting the goods, and also the ship or vessel.

The law having thus secured the plantation trade to British shipping, the next object was to oblige the principal plantation commodities to be carried only to the mother country, with the view that the profit of importing them, and again exporting them to other ports of Europe, should centre in the mother country. By the 18th sect. it is provided, that none of the *enumerated* articles, that is to say, no sugar, tobacco, cotton, wool, indigo, ginger, fustic, or other dyeing wood, of the growth, production, or manufacture of any English plantations in America, Asia, or Africa, shall be shipped, carried, conveyed, or transported from any of the said plantations to any land, island, territory, dominion, port, or place whatsoever, other than to such other English plantations as belong to his majesty, or to the kingdom of England or Ireland, or principality

of Wales, or town of Berwick-upon-Tweed, there to be laid on shore, under pain of forfeiting the goods or the value thereof, and also the ship with all her guns, tackle, apparel, ammunition, and furniture, one moiety to the king, the other to the person seizing and suing for the same.

By this act we perceive two leading principles of the colonial restrictive system established. The colonists were obliged to ship their produce in British ships, and they were not permitted to seek the most convenient market for their produce, but were constrained to send it to England.

But the national advantages found to accrue from the colonial trade, led very shortly after to the imposition of further restrictions. The statute, 15 Car. II., c. 7, entitled "An Act for the Encouragement of Trade," confines the supplying the plantations with European goods wholly to the mother country. The preamble to this act is as follows: "And in regard his majesty's plantations "beyond the seas are inhabited and peopled by his "subjects of this his kingdom of England, for the "maintaining a greater correspondence and kind-"ness between them, and keeping them in a firmer "dependence upon it, and rendering them yet more "beneficial and advantageous unto it in the further "employment and increase of English shipping and "seamen, vent of English woollen and other manu-"factures and commodities, rendering the navigation "to and from the same more safe and cheap, and

" making this kingdom a staple, not only of the com-
" modities of those plantations, but also of the com-
" modities of other countries and places, for the sup-
" plying of them; and it being the usage of other
" nations to keep their plantation trade to them-
" selves," &c.

The comprehensive language of this excellent preamble to the important statute which it introduces, merits the most attentive consideration of all statesmen who are so fond of imputing narrow views to their ancestors.

The 6th section of this act ordains, that no commodity of the growth, production, or manufacture of EUROPE should be imported into any land, island, or plantation, colony, territory, or place to his majesty belonging, or in his possession, in Asia, Africa, or America, but what shall be, *bonâ fide*, and without fraud, laden and shipped in England, Wales, or the town of Berwick-upon-Tweed, and in English built shipping, whereof the master and three-fourths of the mariners at least are English; and which shall be carried directly to the said lands, islands, plantations, colonies, territories, or places, and from no other place whatever, under pain of forfeiting such commodities as shall be imported from any other place whatever, and of the ship importing them, one-third to the king, another to the governor where seized, and another to the informer.

Sect. 7. permits wines from Madeira and the Azores, and from Scotland or Ireland, horses, and all sorts of victuals of the growth or production of

those countries respectively, to be imported into the colonies direct.

Sect. 9. further restricts the carrying trade of the enumerated articles: sugar, tobacco, ginger, cotton, wool, indigo, Jamaica wood, fustic, or other dyeing wood, and prevents them from being taken into any other country or place whatsoever until they have been first unladen, *bonâ fide*, in some port or haven in England, Wales, or Berwick. This regulation stopped the direct trade with Ireland, and cut off the intercourse between the colonies themselves in those articles; though, in regard to the latter, some indulgences were subsequently granted.

To secure a perfect fulfilment of these laws, and to prevent illicit traffic, the stat. 25 Car. II., cap. 7, was passed, providing, that if bond was not first given with one sufficient surety for bringing colonial commodities to England, Wales, or Berwick, and to no other place, those commodities should, before the *lading* of them, be subject to certain duties of custom, 5*s*. per cwt. on sugar, 1*d*. per lb. on tobacco, and other articles in proportion. The duties were levied on the export trade from one colony to another, in order to prevent an unlawful export to Europe of the enumerated articles.

So far as the colonists were concerned, these enactments completed the disabilities under which they conducted their business. Besides being limited to one market for the sale of their goods, they were restricted to one market for the purchase of their

supplies. The government continued very scrupulous in a rigid enforcement of their regulation, in which it was zealously supported by Parliament and by the nation. A circular letter was sent in 1663 to all the governors of colonies, commanding them to transmit, twice a year, a perfect account of all ships that loaded, and copies of the bonds; it being, as the letter states, "his majesty's pleasure that the law be very strictly observed, in regard it much concerneth the trade of his kingdom *."

But the colonies by no means acquiesced in the heavy disadvantages to which they were made subject for the benefit of the mother country. In 1676 the Island of Barbadoes complained to the lords' committee of trade against the navigation and trade intercourse acts; but their application, after a long debate, was rejected, on the grounds that "those enactments ought to be supported as being the settled laws of the land †."

The first relaxation of the system took place in regard to the Spanish colonies. In April, 1685, a circular letter was sent to the governors of Jamaica and Barbadoes, permitting the trade of vessels employed by Spaniards, who were to be civilly treated and encouraged, those vessels bringing money as the produce of Spanish dominion in America.

The law, with some slight amendments made to

* Chalmer's Polit. Annal., p. 269. † Ibid. p. 324.

it by the 7 and 8 William III. cap. 22, continued in this state down to the 12 Geo. II., cap. 20, when a very great relaxation took place in regard to the article of sugar. It was enacted, "That any subject of his majesty, in any ship or vessel *built* in Great Britain, and navigated according to law, and belonging to any of his majesty's subjects, of which the major part shall be residing in Great Britain, and the residue either in Great Britain or in some of his majesty's sugar colonies in America, that shall clear outwards in any port of Great Britain, for any of the said colonies, may load there any sugar of the growth, produce, or manufacture of those colonies, and carry it from thence to any foreign port of Europe, provided a license be first taken out for that purpose under the hands of the commissioners of the customs at London or Edinburgh."

This permission was, by statute 15 Geo. II., cap. 33, sect. 5, extended to all ships *belonging* to Great Britain, and navigated according to law. Both these acts continued in force for a considerable period: they were repealed by 34 Geo. III., cap. 42, sect. 7.

By statute 4 Geo. III., cap. 15, sect. 27, coffee, pimento, cocoa-nuts, whale-fins, raw silk, hides, and skins, pot and pearl ashes, of the growth, production, or manufacture of any British colony or plantation in America, were added to the list of enumerated articles, and were to be imported directly

from thence into this kingdom, or some other British colony or plantation, under similar securities to those provided by the statutes of Charles II. already enumerated.

The trade between the Spanish and the English colonies, which had hitherto existed by sufferance, was legitimatized by the 6th Geo. III. cap. 49, commonly called the *Free Port Act*. By this act, live cattle, and all manner of goods and commodities whatsoever, *except tobacco*, the growth or produce of any colony or plantation in America, not under the dominion of his majesty, might be imported in foreign vessels, not having more than one deck, into the ports of Prince Rupert's Bay and Roseau in the island of Dominica; and (except sugar, coffee, pimento, ginger, molasses, and tobacco) into the ports of Kingston, Savannah-la-Mar, Montego Bay, and Santa Lucia, in the Island of Jamaica.

The act was continued by statute 14 Geo. III. cap. 41; afterwards, by 21 Geo. III. cap. 29, the free ports of Dominica were shut; those of Jamaica were continued open until repealed by the passing of the 27th Geo. III. cap. 27, when other regulations were introduced.

By the 18 Geo. III. cap. 55, the export trade to the colonies was thrown open to Ireland: two years after, by the 20th Geo. III. cap. 10, the import trade from the colonies was also opened to that part of the kingdom.

The United States of America, on the attainment

of their independence, ceased to be entitled to any privileges of trade, and fell under those sections of the navigation act relating to Asia, Africa, and America, the people of which were not entitled to come to the British plantations; nor could the goods and commodities of their countries be imported into Great Britain, but in British ships.

In conformity to the treaty of peace, new regulations were necessary; but as the subject embraced many details, Parliament did not, in the first instance, lay down any permanent rule, but vested a discretionary power in the king. By statute 23 Geo. III. cap. 39, enacted, as was stated, for the purpose of opening a commercial intercourse with the United States, it was declared, that it should be lawful for the king in council, by orders to be issued from time to time, to give such directions and make such regulations with respect to duties, drawbacks, or otherwise, for carrying on the trade and commerce between the people and territories belonging to the crown of Great Britain and those of the United States, as to him, in council, should appear most expedient and salutary*.

This act being experimental, and to serve the necessity of the moment, was to continue only for a few months; but it was afterwards further continued by two acts made in the next Session of Parliament. Annual acts of continuance were afterwards passed down to 1788, with little material alteration.

* Reeves on Shipping, p. 267.

By stat. 24 Geo. III. cap. 45, the Parliament united to the discretionary power they had conferred on the king for regulating the trade and commerce with the United States, the same power to regulate the trade and commerce with the British colonies in America, as far as regarded iron, hemp, sail-cloth, and other articles of the produce of any place bordering on the Baltic, which might be lawfully exported from the kingdom *.

After a lapse of five years, during which period the trade between our West India colonies and the United States had been carried on under different modifications contained in several orders in Council, it was considered that sufficient experience existed to have regulations imbodied in a general law. The 28 Geo. III. cap. 6, was then passed. By the 1st and 2d sections, it was ordained, that tobacco, pitch, tar, turpentine, hemp, flax, masts, yards, bowsprits, staves, heading-boards, timber-shingles, and lumber of any sort, horses, neat cattle, sheep, hogs, poultry, and live stock of any sort, bread, biscuit, flour, peas, beans, potatoes, wheat, rice, oats, barley, and grain of any sort, such commodities being of the growth or production of any of the territories of the United States, might be imported into any of his majesty's West India islands, if brought by British subjects, and in British built ships owned by his Majesty's subjects, and navigated according to law; all other articles not

* Reeves on Shipping, p. 268.

enumerated, were prohibited, under penalty of forfeiting the ship and cargo.

The imports to the West Indies being thus provided for, the next object was to regulate the exports from thence to the United States. By sect. 3, sugar, molasses, coffee, cocoa-nuts, ginger, and pimento, together with any commodities which were not, at the time of passing of the act, prohibited to be exported to any foreign country in Europe, were permitted to be exported to the United States by British subjects in British built ships, navigated according to law.

By sect. 10, none of the articles allowed to be imported directly from America are to be brought from any island in the West Indies under the dominion of any foreign European sovereign, or state, under the penalty of forfeiting both ship and cargo. But, by sect. 11, in cases of public emergency, the governors of any of the islands might, with the advice of their Council, authorize the importation of those articles in British ships, for a limited time, from any such foreign island, for the supply of the inhabitants. The colonies availed themselves of this permission to a considerable extent; it was made the subject of more precise regulation by the 29 Geo. III. cap. 56.

The next point in the history of colonial policy to which it is necessary to refer, relates to the free ports.

By statute 27 Geo. III. cap. 27, the former enact-

ments were repealed, and wood, cotton, wool, indigo, cochineal, drugs of all sorts, cocoa, log-wood, fustic, and all sorts of woods for dyers' use, hides, skins and tallow, beaver and all sorts of furs, tortoise-shell, hard wood and mill timber, mahogany and all other woods for cabinet-ware, horses, asses, mules, and cattle being the growth or production of any of the colonies of America, or of any country on the continent of America, belonging to, or under the dominion of, any foreign European sovereign or state; and all corn, and bullion, diamonds and precious stones, may be imported from any of the said countries into the several ports of Kingston, Savannah-la-Mar, Montego Bay, Santa Lucia, and Antonio, in the island of Jamaica, the port of St. George in the island of Grenada, the port of Roseau in Dominica, and Nassau in the Bahamas. The importation must be in some foreign sloop, schooner, or other vessel not having more than one deck, and being owned and navigated by persons inhabiting colonies or countries on the continent of America under the dominion of any European sovereign or state.

This act, like the former free-port acts, was experimental, and was to continue in force only for a limited period. Several acts were subsequently passed, enlarging the number of the free-ports, and introducing new privileges, all of which were imbodied in the 45 Geo. III. cap. 57. St. Ann's in Jamaica; St. John's, Antigua; San Josef, Trinidad;

Kingston, St. Vincent; Scarborough, Tobago-road Harbour; Tortola, and the principal port in Bermuda, were now joined to the former ports. By sections 4, 5, 6, sugar and coffee, the produce of any foreign country or plantation, might be imported in such foreign vessels as have been described, into the port of Nassau, New Providence, Pitts Town in Crooked Island, and the principal port in the Island of Bermuda, which were called *special* free-ports. By sect. 8, permission was given to export from the free ports in foreign vessels, *rum*, and all manner of goods, wares, or merchandise which shall have been legally imported into the island, except masts, yards, or bowsprits, pitch, tar and turpentine.

Section 9, permits the export, from these free-ports in *British vessels*, of any goods of European manufacture, and also of the goods legally imported from the foreign colonies or countries to other British colonies in the West Indies.

Section 11, permits all the free-port articles first enumerated, to be exported to the United Kingdom conforming to the regulations of the Navigation Act.

Here may be closed our abstract of the law appertaining to what we shall term the *old* colonial system, which continued to a recent period. During the late war, partial modifications were occasionally introduced by Orders in Council, permitting neutrals to supply our colonies with certain commodities of immediate necessity; but they all arose out of

the emergency of the moment, and are not to be regarded as forming any rule for general guidance.

In the recent changes in our commercial regulations, our colonies have largely participated.

By the convention of commerce between Great Britain and the United States, signed in London in 1815, it not being found practicable to adjust all the differences which subsisted between the two powers, the intercourse between the United States and our West India colonies was to remain on the same footing as heretofore, with regard to the rights asserted by the respective governments. The government of the United States was always jealous of this description of West India trade in which British shipping alone was employed. It was their opinion, that if our colonies stood in need of the productions of their country, it was not right to allow that the export should be restricted to British shipping. They accordingly prohibited the exportation of commodities required by our colonies, unless American ships were permitted to carry them. In order to avoid inconvenience, mutually sustained, recourse was had to the expedient of establishing open marts between America and the British West Indies, to which ships of both nations resorted, where they interchanged commodities, according to their respective wants.

Still the United States were not satisfied, and conceiving that the necessity rested with the British more than with them, they prohibited their ships

from this trade. A temporary suspension of intercourse took place, until the 3rd Geo. IV. cap. 44, was passed, permitting American vessels to trade directly with our British West India Colonies. The law was not met with corresponding liberality by the American congress. The succeeding year they imposed an alien duty upon British ships trading from our colonies, until the productions of the United States should be admitted into the West Indies upon the same terms as the like productions of the mother country or Canada *.

The British government resisted this principle, and authority being conferred on the king in council by act of parliament, either to interdict the intercourse, or to levy countervailing duties in the colonial ports of Great Britain, if our trade was not placed by the United States on the footing of the most favoured nation, the latter expedient was chosen, and an order of temporary duration was issued, which imposed duties on American products to the 1st of December, 1826.

In the mean time, the 6th Geo. IV. cap. 114, was passed, establishing the warehousing and bonding system in the West Indies for foreign commodities, and admitting a free intercourse between our colonies and other countries of Europe, in the ships of those countries, allowing the latter to import all articles the growth, produce, or ma-

* Vide Correspondence of Mr. Canning with Mr. Galatin, Sept. 11, 1826.

nufacture of the country to which the ship belongs, and to export from such colonies all articles whatever of their growth, produce, or manufacture, either to the country from which such ship came, or to any other part of the world, the United Kingdom and its dependencies excepted.

Certain duties were imposed, which will presently be specified.

The subsequent year the Customs' Act, 7 and 8 Geo. IV. cap. 56, was passed, introducing additional regulations relative to our possessions abroad. By this act, foreign sugar, coffee, molasses, rum, are permitted to be imported into any of the free warehousing ports in our colonies, for the purpose of being warehoused for exportation only.

Salted beef and salted pork, which, by the first act had been prohibited, are permitted to be imported from foreign countries on paying a duty of 12*s.* per cwt.

The concluding sections of this act declare, "that the privileges granted to foreign ships shall be limited to the ships of those countries, which, having colonial possessions, shall grant the like privileges of trading with those possessions to British ships, or which, not having colonial possessions, shall place the commerce and navigation of this country, and of its possessions abroad, upon the footing of the most favoured nation."

Twelve months were given to foreign nations to fulfil the conditions prescribed by the act; and

sect. 42 provides, that the king shall first declare by order in council that those conditions have been actually fulfilled, before foreign nations are entitled to the privileges.

The United States of America not acceding to the conditions, the reasons for which are detailed in a correspondence between Mr. Galatin and Mr. Canning, the intercourse between that country and our West India colonies stands prohibited.

The correspondence was closed in a decided manner on the part of the British government, Mr. Canning declaring that, "after having been compelled to apply to any country the interdict prescribed by the act, the British government cannot hold itself bound to remove that interdict, as a matter of course, whenever it may happen to suit the convenience of the foreign government to reconsider the measures by which the application of that interdict was occasioned."

It may now be useful to contrast the duties and restrictions which existed under the old colonial system, with those established by the recent Colonial Intercourse Bill.

The old colonial system is supposed to include the period from the passing of the 28th Geo. III. cap. 6, when the trade to America from our colonies was regulated by express statute, up to the first innovation contained in the 3rd Geo. IV.

By the old Act the following articles are allowed to be imported into the British colonies, from the United States, by British subjects and in British vessels, duty free:

By the new Act, 6 Geo. IV. cap. 114, the undermentioned duties are imposed:

	Old System.		New System. £. s. d.
Tobacco	Free.	For every 100*l.* of value	20 0 0
Pitch	Do.	„	7 10 0
Tar	Do.	„	7 10 0
Turpentine	Do.	„	7 10 0
Hemp	Do.	„	7 10 0
Flax	Do.	„	7 10 0
Masts, Yards, Bowsprits	Do.	Unenumerated articles at 15*l.* for every 100*l.* value.	
Red oak staves or headings	Do.	For every 1000	0 15 0
White do. do.	Do.	„	0 12 6
Timber (white, yellow, or pitch pine)	Do.	For every 1000 feet, 1 inch thick	1 1 0
Shingles, not more than 12 inches long	Do.	Per 1000	0 7 0
Ditto, more than Ditto.	Do.	„	0 14 0
Lumber of any sort	Do.	Per 1000 feet	1 8 0
Horses, Neat Cattle, Sheep, Hogs, Poultry, Live Stock of any sort	Do.	Per 100*l.* value	10 0 0
Bread, Biscuit	Do	Per cwt.	0 1 6
Flour	Do.	Per barrel, not exceeding 196 lbs. net	0 5 0
Peas, Beans	Do.	Per bushel	0 0 7

Old System.		New System.		
		£.	s.	d.
Potatoes	Free			
Wheat	Do.	Per bushel	0	1 0
Rice	Do.	Per 100 lbs. net	0	2 6
Oats, Barley, Grain of any sort	Do.	Per bushel	0	0 7

By the old act, none of the above-mentioned articles were allowed to be imported from foreign European states, unless coming through Great Britain, and in British ships.

By the new act, these articles may be imported from any foreign state, which will place the shipping of Great Britain upon the terms of the most favoured nation.

The following articles, both by the old and the new acts, are prohibited to be imported from foreign countries.

Gunpowder, Arms, Ammunitions, or utensils of war.	Except from the United Kingdom, or from some other British possession.
Tea.	Except from the United Kingdom, or from some other British possession in America, unless by the East India Company, or with their license.
Fish, dried or salted, train oil, blubber, fins, or skins, the produce of creatures living in the sea.	Prohibited to be imported, except from the United Kingdom, or from some other British possession, or unless taken by British ships fitted out from the United Kingdom, or from some British possession, and brought in from the fishery, and except herrings from the Isle of Man, taken and cured by the inhabitants thereof.

By the old colonial regulations, the following articles were not allowed to be imported, unless coming from Great Britain, and in British ships.

By the new colonial intercourse act, they may be imported from any country at the following rates of duty.

Salted beef and pork prohibited by 6 Geo. IV. cap. 114, but admitted by 7 and 8 Geo. IV. cap. 56, at a duty of 12*s.* per cwt.

For every 100*l.* *of the true and real value* 7*l.* 10*s.*, *viz.*

Alabaster, anchovies, argol, aniseed, amber, almonds, brimstone, botargo, boxwood, currants, capers, cascasoo, cantharides, cummin-seed, coral, cork, cinnabar, dates, essence of bergamot, lemon, roses, citron, oranges, lavender, rosemary, emery-stone, flax, fruit, (viz. dry, preserved in sugar, wet, preserved in brandy,) figs, gum-arabic, mastic, myrrh, sicily, ammoniac, hemp, honey, jalap, iron, (in bars, unwrought, and pig-iron,) juniper-berries, incense of frankincense, lava, and malta-stone for building, lentils, manna, marble, (rough and worked,) mosaic work, medals, musk, macaroni, nuts of all kinds, oil of olives, of almonds, opium, orris-root, ostrich feathers, ochres, orange-buds and peel, olives, pitch, pickles, paintings, pozzolana, pumice-stone, punk, Parmesan cheese, prints, pearls, precious stones, (except diamonds,) quicksilver, raisins, rhubarb, sausages, senna, scammony, sarsaparill, saffron, safflower, sponges, tar, tow, turpentine, vermilion, vermicelli, whetstones.

For every 100*l.* *of the value* 30*l.*

Silk manufactures, (not enumerated in 6 Geo. IV. admitted by 7 Geo. IV.) clocks and watches, leather manufactures, linen, musical instruments, wires of all sorts, books and papers.

For every 100*l.* *of the value* 20*l.*

Cotton manufactures (by 7 and 8 Geo. IV.) glass and manufactures, soap, refined sugar, sugar candy, tobacco manufactured.

For every 100*l.* *of the value* 15*l.*

Goods, wares, or merchandise, not being enumerated or described, or otherwise charged with duty by this act.

Duty free.

Hay and straw, coin and bullion, diamonds, salt, fruit and vegetables, (fresh,) cotton wool, goods (the produce of places within the limits of the East India Company's charter,) horses of persons travelling into or through the province of Upper Canada, and necessarily used in removing themselves, their families and baggage, cord wood for fuel, and saw logs (brought into Upper Canada,) herrings (taken and cured by the inhabitants of the Isle of Man, and imported direct from thence,) any sort of craft, food, and victuals, (except spirits,) and any sort of clothing, and implements or materials fit and necessary for the British fisheries in America, (imported into the place at or from whence such fishery is carried on in British ships,) rice and Indian corn, and lumber (the produce of any British possession on the west coast of Africa, and imported direct from thence).

Under the old system, the following articles of export were permitted to be sent from the West Indies to the United States, in British ships:

Sugar.	Coffee.	Ginger.
Molasses.	Cocoa-nuts.	Pimento.

They were not permitted to be sent to any part of Europe, but through Great Britain, and in British ships.

Under the new system, all the produce of the colonies may be exported to any foreign state, which shall put the shipping of Great Britain on the footing of the most favoured nation.

Having placed in opposition the chief regulations of the two systems, it is essentially necessary to

inquire, what the colonists have gained by the alteration. Unqualified assertions have been made in parliament, and by many public writers, that the chief features of the colonial system are removed; that restraints are no longer imposed upon sugar growers, and that the markets of the world are open to them. Ministers of state, pompously enumerating the alleged relaxations, in dispatches sent to the colonies, have greatly heightened this misconception.

It is proposed to examine these relaxations under the following heads, in which it is stated that the West India colonists have gained advantages:— 1st. More extended importation of supplies necessary for conducting their cultivation; 2d. Wider markets opened to them in the sale of their produce; 3d. Advantages of the warehousing and free-port system.

We naturally associate with the idea of free-trade open competition between all nations. Restriction, on the other hand, implies, that protecting duties are levied for the exclusive benefit of some particular interest. The existence of these protecting duties, under any form, essentially characterizes the old mercantile system of Great Britain, however much it may be attempted to be disguised by the introduction of new terms. The extreme argument of the most approved commercial writers of the olden time, never went further than a justification of duties adjusted to such a scale as was rendered

necessary by the state of taxation, maritime policy, and peculiar circumstances of England. If we adopt this criterion to judge whether trade is free or restricted, the import trade of our colonies must be pronounced to be still essentially restricted. To begin, for example, with the article of most extensive consumption—fish: by the new intercourse bills, this article is prohibited to be imported from any foreign country, or in any foreign ship, precisely in the same manner as it was under the old regulations. Few, in the least acquainted with West India matters, can be ignorant that fish forms the staple article of imported food with the negro population. The quantity imported into Jamaica, for the year 1826, was as follows:—

Dry Fish.		
Hogsheads.	Casks.	Boxes.
6018	3384	3703

Pickled Fish.		
Tierces.	Barrels Herrings.	Kits.
173	82541	903

The value of this prodigious supply would amount to between two and three hundred thousand pounds.

The expenses of British navigation, contrasted with foreign countries, are too well known to require comment. In most cases, they are more than double. Now, the cost of fish is almost entirely made up of the expenses of navigation; and an opportunity is here afforded to judge of the large amount which the colonists pay to promote other interests of the

empire. The fisheries, in a recent discussion in the House of Commons, were described by all parties as constituting one of the most valuable of our maritime resources. No doubt it is expedient to foster this trade by special encouragement; but is it not common justice to declare, that the West India colonists, in a large degree, contribute to its support?

Other articles of provision may be selected as next greatest in consumption. Flour pays a duty of five shillings a barrel. The entire quantity imported into Jamaica, for the year 1826, was 60,405 barrels flour, and 10,095 barrels corn-meal; of which, so very large a proportion as 52,744 barrels flour, 10,035 barrels corn-meal, were imported from the United States. Besides these, there was imported, of rice, 1,411,823 lbs.; of which, 1,382,477 lbs. were from the United States. It is evident, therefore, that that country possesses superior advantages for this traffic, and can supply our colonies with provisions on cheaper terms than any other country. The intercourse is now stopped, and the consequence must be to encourage an artificial trade elsewhere, the increased cost of which will fall on the colonists.

Salted beef and pork pay a duty of twelve shillings per cwt., being seventy per cent. on importation from some parts of Europe. Is this freely receiving supplies from all quarters? Though it may pass for a boon conferred on the West Indies, it is much to be apprehended that, according to the

fashionable notions of political economy entertained in England, it would be termed restriction of a very absolute and antiquated description.

Staves, lumber, shingles, and supplies necessary for the cultivation of sugar, next come under consideration.

The quantity imported into Jamaica, in the year 1826, was as follows:—

Staves and heading.	
United States of America . . .	4,836,216
British Plantations	269,217
	5,105,433
Feet of lumber.	
United States	3,164,068
British Plantations	1,496,137
	4,660,205
Shingles.	
United States	8,195,598
British Plantations	953,061
	9,148,659

Here, again, we perceive the extent of trade formerly carried on with the United States. The value of these articles would amount to several hundred thousand pounds sterling, and they have all heavy duties imposed on them.

Negro-clothing, woollens, and cottons, complete the list of leading importations. Their value may be estimated at eight hundred thousand pounds, and they are all burdened with *ad valorem* duty of twenty or thirty per cent. if imported from foreign countries.

In respect to any of the remaining articles of importation, drugs, perfumery, and so forth, surely no person could seriously maintain, that the privilege of obtaining them from the places of their production, not free, be it observed, but still paying a duty, would be a boon of any importance to the colonists, or could act as a motive to induce foreign shipments direct, in place of the articles coming through England in assorted cargoes. If an individual, on being confined to one market, expended 100*l.* per annum in certain purchases, which he could make for 60*l.* if markets generally were open to him, we should deem it ridiculous to speak of impediments removed, that relieved him only to the extent of a few pounds, and enabled him to purchase with 96*l.* or 97*l.* what he had formerly purchased for 100*l.* Ostensibly the alterations in the colonial system operate in no greater ratio, even supposing that all foreign nations had acceded to our terms, fulfilled the stipulations contained in the last section of the colonial intercourse statute, and put the shipping of Great Britain on the footing of the most favoured nation. But they have not done so, and the disadvantages under which the colonists now labour are greater than those under which they laboured before. The proximity of the United States to the West Indies peculiarly conduces to advantageous trade betwixt them: besides the convenience of situation, and

superior cheapness of commodities, the ports of the United States are open the whole of the year, while those of the more northern districts are shut during the winter. Importations of these commodities could be made, it will be recollected, duty free under the old system. The trade stands now interdicted; and it is not merely in respect to importations that serious losses are entailed upon the colonists: in addition to purchasing their goods dearer, they lose the sale of their rum and molasses, which the Americans would have taken in exchange for them, and which is a branch of trade of vital importance to the profitable cultivation of sugar.

It is not intended to censure these regulations of the British legislature. The object is simply to state facts, in order to show, that to promote certain measures of the mother country, the colonists are subject to heavy expenses. They have not in any instance complained; they have not objected to the policy prescribed by the British government; on the contrary, addresses from the various colonial assemblies have teemed with loyalty, and willingness to participate in the feeling of the parent state. But it is incumbent on the British nation to recollect that, if America exhibit an inclination to break the bonds of amity which join the two nations together, if she display an encroaching or arrogant spirit, the West Indies not only supply the means to retaliate in a very decisive and effec-

tual manner, but *they bear all the expenses* which that retaliation necessarily causes, without any immediate effect reaching the mother country.

2nd. The liberty given to the colonists to export their produce to foreign markets is not new; it existed by the 12 Geo. II. cap. 30, and 15 Geo. II. cap. 33, sect. 5, until repealed by the 34 Geo. III. cap. 42, sect. 7. It is hardly correct, therefore, to consider this regulation as entirely novel, or as a concession obtained by the new bills. Were we to assume that commercial enterprise is now more generally diffused than at the period the former permission was given, still it is not probable that this regulation could be much acted upon; for rapid has been of late years the progress of rival colonies, and the advantages under which they trade to the continental markets; and it must not be forgotten, that ships trade to countries, not for one but for two freights—to have a freight going out as well as one coming home. If, therefore, the leading and most bulky articles imported into our colonies are restricted, it is unreasonable to suppose that foreign ships will go there in ballast, for the purpose of obtaining a homeward cargo of sugar. Until mercantile houses, with capital sufficient to give accommodations in credit, establish themselves in foreign ports, which they will not do unless they can engage in the export as well as the import trade, the concession may be pronounced to be virtually nugatory. And even if it were not

so, it would only operate as an inducement for the removal of British capital to foreign ports.

3rd. The warehousing in bond, and free port system, has been affirmed to give great assistance to the colonists. In speaking of colonists, we naturally consider parties engaged in raising West India produce. Now, in what manner can their interest be benefited by permitting foreign sugar or other commodities to be warehoused in a British West India island? Factors and commission merchants may certainly receive advantage, but it is difficult to conceive how it can reach a British sugar-grower. If the object be to facilitate the transit of foreign sugar from one port to another, to cause more capital to be employed in the foreign sugar trade, to force, in short, its increased importation into Europe, it may be safely affirmed, that the warehousing system tends to the injury of the British planter. When foreign corn is permitted to be stored in London or Liverpool, the English landlords would be a little startled on hearing the permission construed into a principle justificatory of the abolition of their own protecting duties. They would lend an inattentive ear to statements descriptive of the advantages flowing to the Liverpool factors; they would be a little incredulous in respect to benefits alleged to accrue immediately to themselves; and would treat very slightingly the doctrine that commerce and agriculture are indissolubly united, assistance given to the one equally

ministering to the other. The case is analogous with sugar-growers of the West Indies. Solicitous for the general welfare of the colonies, this class may rejoice in any prospect of additional trade being open to their fellow colonists, who labour in a different branch of industry from themselves; but it surely would be unjust to make them suffer for their disinterestedness, and sacrifice their own production for anticipated benefits solely appertaining to a foreign carrying trade.

After this investigation of the true merits of the alterations made in our colonial policy, again let us ask, what have the colonists gained? Positively nothing. The innovations in our commercial policy were unsolicited, unsought; and at best acquiesced in passively by the West Indians. It is quite erroneous to assert, that the alterations were made exclusively or principally with the view of benefiting the colonies. The administration that directed the trade of the kingdom were desirous to make great changes in our mercantile policy; they seized upon the colonies as *instruments* that answered their purpose, which they knew they could handle and work at pleasure, and which they were aware could never possess influence sufficiently potential to oppose, with effect, any uses to which they were employed. The natural disposition of mankind to make, if possible, peremptory and predetermined acts pass for gratuitous indulgence, actuating statesmen fully as much as common men, soon induced a fictitious

colouring to be given to the procedure, such as should strike in and harmonize with the temper of the times. A subordinate agent was made to appear the principal actor, whose interest alone was consulted, and who, in common gratitude, should make tangible acknowledgment for the services conferred on him. It was then that the fancied benefits alleged to flow to the colonies were held forth with a boldness, a vehemence, and a pertinacity sufficient to deceive much of the disinterested portion of the community; but little reflection is required to discover that the West Indians could never have originated the changes. Had they been consulted on the subject, the more intelligent among them might have paused ere they sanctioned even the nominal invasion of a principle that was sure afterwards to be misconstrued; they might have recollected the words of the celebrated preamble already quoted with commendation, that "it was the policy of foreign countries to keep the colonial trade to themselves;" in consequence, they might have conceived that it was not wise to abandon a system that "maintained a close correspondence between the colonies and the mother country, increased shipping, and made this country the staple both of the commodities of the plantations and other countries, in order to supply them." Above all, would the West Indians have ostensibly thrown open a trade which all other nations had hitherto kept shut, without

stipulating for something in return? Would they have presented their trade to Prussia, a trade held most valuable by all Prussian subjects, and at the same time allowed that country almost simultaneously to heap impediments on the sale of British Plantation sugar? These are surely sufficient proofs that the West Indians had but little voice in these measures. But enough has been said, and it is time to terminate this unwelcome subject. It may suffice to state that, if much has been sacrificed, nothing has been gained, and that the rules of restriction set forth at the commencement of this section, illustrative of colonial dependence, stand unchanged.

Section II.

On East India Trade.

The restrictions imposed upon the East India trade are of a very different description from those appertaining to the West India.

The Navigation Act, 12 Car. II., reserved the trade of the British settlements in Asia, in common with all America and Africa, to British vessels. After the East India Company had acquired permanent footing in India, and, in addition to their factories, had obtained large districts of territory, they assumed legislative functions; they framed

commercial regulations themselves to elicit all the advantages of their dominion, without going to the British Parliament for permission or advice. It will not be necessary to particularize all the regulations which, from the time of their first charter, they introduced for the purpose of giving facilities to their trade. It is sufficient to observe, that if, as merchants, they were desirous of realizing large profits, of selling dearly and buying cheaply, as sovereigns they had the power of enacting laws to accomplish their wishes. The broadest possible distinction here appears between the colonial trade and that of the East India Company.* The former is under the rigid direction of the Imperial Legislature, which not only enacts, repeals, and modifies the most trivial commercial regulations at pleasure, but which treats its colonial subjects as subservient dependents, who ought to be passive under every command, and whose interests should implicitly conform to every change desired by the British government. Those who are called their rivals had, for an indefinite period, the law in their own hands; they had the power, within the vast limits of their charter, of making use of every species of interchange to facilitate production in their own immediate territories. This power they may be said still to retain.

* In a Letter from the first Lord Melville to the Court of Directors, on the subject of East India Trade, there is this passage:—"These important possessions never have been, and never can be considered *as colonies*."

In Mr. Pitt's Act, in 1782, regulating the affairs of the East India Company, when the Board of Control was appointed, the legislative functions of the company were formally recognised; and where those functions were inadequate for framing laws, which, in facilitating the East India trade, affected the trade generally of the United Kingdom, or interferes with the prerogatives of the crown, parliament afterwards stepped in to their assistance.

The 37 Geo. III. cap. 117, conferred power on the East India Company to permit vessels belonging to countries in amity with his Majesty to import into, and export from, the British possessions in India, goods not contrary to treaties or expressly prohibited by the statute law of the realm.

In 1813, the trade was thrown open. In the following year, the act called the Circuitous Trade Act was passed, which permitted the trade in ships navigated according to law, to and at any intermediate ports or countries between the United Kingdom and the limits of the Company's charter, situate in North and South America, excepting his Majesty's colonies and possessions, and to and at Madeira, the Canaries, the Cape de Verd Islands, St. Helena, and the Cape of Good Hope.

In 1817, a further extension was granted, by admitting a trade direct from Malta and Gibraltar, to and from the places within the Company's limits; all restrictions as to the size of ships employed in such trade were removed, although they were

continued in the trade between India and the United Kingdom.

By the 57 Geo. III. cap. 95, the trade within the Company's limits was *exempt* from the operation of the *navigation laws*.

By the 59 Geo. III. cap. 54, American vessels were allowed to clear out from the United Kingdom for India, subject to the same regulations as British built vessels. Sect. 2, enacted that goods, the produce of the United States, imported in American built vessels, should pay the like duties as goods imported in British vessels. Sect. 4 and 5, provided that the same duties should be paid, and also the same bounties allowed on exportation of goods from India in American built vessels as in British.

By the 1st and 2d Geo. IV., trade was allowed to and from any intermediate places between Great Britain and the limits of the Company's charter, and to discharge the whole or any part of their cargoes, and to take other goods on board: a trade was likewise permitted circuitously, as well as directly, between all places within the Company's limits and countries in amity with his Majesty, the trade in tea alone excepted.

The 4 Geo. IV. cap. 80, consolidated the laws relative to India trade. By this act, vessels were admitted into the trade with India without any limitation in respect of the amount of tonnage. Lascars and other Asiatic sailors were permitted to be employed, subject to special provision, to be

framed by the supreme government in India, which provision was to have the effect of law. Sect. 21 provided, that four British seamen for every 100 tons burthen should be sufficient; in case a sufficient number could not be obtained, the succeeding section gave the governor liberty to grant license for the ship to sail.

In this same session an act passed, permitting the East India Company to trade direct from China to America.

The 6 Geo. IV. cap. 110, completed the privileges granted to the East India Company. By this act, vessels wholly of the build of British possessions or *territories in Asia* belonging to Great Britain, were entitled to registry the same as vessels of the United Kingdom.

After this enumeration of the acts regulating Indian trade, it would be difficult to pronounce where restrictions or commercial impediments of any kind could be found. The East India trader can take supplies necessary for any description of cultivation from the cheapest market; he can carry that produce where he pleases; and, above all, he is exempt from the operation of the navigation laws, which form so marked a feature in our commercial code in all other parts of the empire. India abounds in materials for ship-building of the finest description; great ingenuity is displayed by the natives in this valuable art; and if these two circumstances be conjoined, cheapness in the cost

of the vessel and the saving effected in her navigation, they alone give advantages sufficient to admit of active competition with most maritime powers.

It is not our intention to investigate the principles which have occasioned the adoption of a commercial system towards the East so different from that towards the West Indies. It is quite sufficient to point out that the latter are considered essentially British; they are burdened with the same restrictions; perhaps, we should rather say, that the same anxious care has been from time immemorial directed to their welfare as to any part of the domestic territory. It is true, many of these restrictions may fetter, not assist, just in the same manner as the solicitude of parents may sometimes burthen their offspring with needless restraint, where they designed to promote their welfare; but in these restraints we perceive paternal anxiety, and deem them proofs of the closeness of the social union.

The East Indies are treated oppositely. The casual inquirer might feel surprised, that not being so closely identified with the empire as the West, they should have more privileges. But this is strictly consistent: the one has been treated as an appendage, the other as a component part, of the domestic territory.

Section III.

On the Trade of the Havannah and Brazils.

Little is required to be said respecting restrictions on trade in other places raising tropical produce.

Brazil is an independent country; all her commercial regulations are framed for the immediate benefit of her own subjects, whose interests are paramount, and have not to subserve to any other interest resident elsewhere. If, therefore, it be possible by freedom of trade or by any commercial regulation, to give advantages to her subjects raising tropical produce, those advantages will be conferred.

Cuba, though still a colony of Spain, is virtually independent in its trade, and has been so since the year 1809. Its ports are open to all vessels; it can import its supplies from any quarter; it can ship its produce to any market.

Chapter IV.

COST OF RAISING TROPICAL PRODUCE.

Having elucidated causes, it is now necessary to state effects, and to show the actual cost of raising sugar in those quarters of the world which compete with each other. The great importance of this commodity in commerce will justify our devoting to it exclusive attention; and, indeed, it will be easy to apply to other articles of tropical growth, the same illustration as is applicable to sugar.

Section I.

West Indies.

The following is the actual expenditure on a plantation in Jamaica of three hundred negroes, producing two hundred and twenty hogsheads of sugar. It is selected as furnishing a fair average of the cost of cultivation in that island.

		Duty which would be paid if imported from a foreign port.
Osnaburgs	£82	20 per cent. ad val.
Hats, negro clothing, and checks	150	15 „ 20 „ 30 „
Soap, candles, and tallow . .	12	20 „
Lime	6	15 „
Medicine	18	7.10 „
Carried over . . .	268	

	£	Duty which would be paid if imported from a foreign port. £ s. d.	
Brought forward.....	268		
Wine.....	9	7 10 0	p. c. ad val.
Paints, oil, and pottery	25	15 0 0	„
Cheese and porter	8	15 0 0	„
Cordage	12	15 0 0	„
Stationery.....	4	30 0 0	„
Wood hoops and casks.....	65	0 5 3	per 1000 on wood hoops.
Iron ware {annual outlay dependent upon circumstances; some years much more will be required}	110	7 10 0 15 0 0	per. cent. „
Lead.....	30	15 0 0	„
Irish provisions.....	50	0 12 0	per cwt.
Fish and herrings	200		prohibited.
Bricks {annual outlay also dependent upon circumstances.....}	45		
Coals.....	180		
10 M. red oak staves valued in Jamaica about 22*l.* p. M.....	£220	0 15 0	per M.
4 M. white oak staves 27*l.* p. M.....	108	0 12 6	„
1 M. white oak heading 32*l.* p. M.....	32	0 12 6	„
3 M. white pine board 16*l.* p. M.....	48	1 1 0	per 1000 ft.
1 M. pitch pine board 20*l.* p. M.....	20	1 1 0	„
20 M. cypress shingles for roofing buildings 6*l.* p. M., 120*l.* say..	60	0 7 0	„
Scantling.....	20		
	508 currency equal to 363		
Carried over.....	1369		

Brought forward	£1369
Freight insurance outwards and charges	120
	1489
Island Charges (reduced to sterling money).	
Fresh beef	100
Medical attendance	80
Salaries of white superintendents	600
Incidental labour	200
Expenses of stock, mules and cattle	300
Smith's work and sundry charges	60
Wharfage	100
Taxes	160
Total Island expenditure	3089
Deduct proceeds of rum 100 puns.	770
	2319

The 220 hogsheads of sugar will average 14 cwt., equal to 3080 cwt.

	£.	s.	d.
Therefore, if 3080 cwt. cost 2319*l.*, 1 cwt. will cost	0	15	1
Freight	0	5	6
Insurance, commission, and charges	0	4	6
Total cost, not including any return upon the capital invested	1	5	1

This capital will average as follows:

	£.
300 negroes at a valuation founded on parliamentary authority of 70*l.* each	21,000
Buildings with steam-engine	10,000
Land of such quality as with 300 negroes will produce 220 hogsheads of sugar would be worth about	7,000
Cattle and Mules	3,000
	41,000

The Parliamentary Committee which was appointed in 1806 to take into consideration the commercial state of the West Indies, after a very minute inquiry, declared that ten per cent. on the capital invested was a fair profit, considering the nature of the property and the risks and vicissitudes to which it was subject.

The portion of cost then belonging to returns of capital will stand thus :—

3080 cwt. requiring a return of 4,100*l.*			
1 cwt. will require a return of.....	1	6	8
Cost not including any return upon the capital invested, as before stated	1	5	1
Total cost of producing sugar for sale in England.....	2	11	9

The returns of produce made will naturally vary according to the fertility of land, but the plantation selected may be considered as exhibiting a favourable average of Jamaica, having good pasture and provision land, and the negroes equal in numbers and efficiency to the work of the estate.

The value of the land was stated at 7000*l.*, because that sum might be taken as its selling price; but it would not be possible to have it cleared and prepared for sugar cultivation, including provision-grounds and other appurtenances, under 10*l.* to 12,000*l.*

The buildings, if newly erected, would, on a sugar estate of 300 negroes, cost considerably above 10,000*l.*

The value of slaves in the British colonies of course depends upon the cost at which they can be reared.

In the island of Jamaica the cost of rearing a slave to the age of fourteen, when first his labour begins to exceed the cost of his maintenance, has been thus calculated:—

	£.
Maintenance for fourteen years beyond the value of any labour, computed from actual expenditure	40
Insurance on risk of life	10
Loss of mother's labour before and after delivery, including allowances and contingencies	10
Medical attendance	5
Interest for fourteen years	15
	80

Minute accuracy on a subject consisting of such diversified and complicated details cannot be expected; but it is presumed that the statement given exhibits the average cost of producing sugar in the British colonies sufficiently accurate for practical purposes.

It may be proper now to subjoin the average Gazette price for the last seven years.

	s.	*d.*
1821	31	0
1822	29	4½
1823	34	6
1824	30	11½
1825	38	7¼
1826	32	3¾
1827	35	4

It appears evident, from this statement, that for a number of years the West India planter has not

been receiving above two to three per cent. interest on his capital: in many cases, indeed, the contingent expenditure has exceeded the returns. Sinking under such accumulated suffering, is it wonderful that he should complain? Every other interest in the empire has obtained relief; the agriculturists, all the manufacturers have, either had direct boons conferred on them, or obtained assistance in the removal of exactions which pressed upon their production. But no attempt has yet been made by the legislature to take the distresses of the West Indians into consideration; declamation has usurped the place of inquiry; and in addition to their pecuniary losses, they have been fated to bear vituperation, calumny, and insult.

Section II.

Foreign Countries.

The different manner in which sugar plantations are cultivated in Cuba and in the Brazils, compared with the British Colonies, prevents our deriving any information from a detailed account of the items of expenditure, such as have been given of an estate in Jamaica.

The impositions levied on the principal articles necessary in the cultivation of sugar in the British colonies have been stated at length. From these, foreign colonies are exempt; and it appears, from

prices current of November 1827, that many articles of the first necessity to the sugar planter, in consequence of the interdiction of the American trade, are upwards of 20 per cent. cheaper in Cuba than in any British colony.

The cost of transporting his produce to the mother country for sale, constitutes another great disadvantage under which the British colonist labours. British shipping alone can be employed in the navigation to and from Great Britain, the cost of sending which to sea is 22*l.* per ton, while foreign vessels can be had at 9*l.* The freight of sugar home is 5*s.* 6*d.* per cwt. in the former, in the latter only 3*s.* 6*d.*

But immense as these disadvantages are to the British planter, separately considered, they sink into insignificance compared with the overwhelming evils of the foreign slave trade.

It is a notorious and melancholy fact, that, notwithstanding the exertions of the British Government, together with the large sums that have been granted to foreign governments for the express purpose of its suppression, this traffic still continues unabated.

After the numerous Parliamentary inquiries on this subject, it is unnecessary to institute a formal comparison between the charges of rearing slaves and the cost of procuring them from Africa. In the former case, maintenance has to be for many years supplied; and besides this positive outlay and loss of interest on capital, many contingencies

have to be taken into account before the slave arrives at maturity. In foreign colonies, there are no such charges; the slaves are supplied full grown, and are capable of being put to immediate labour. Under the system of fraud, treachery, and violence by which they are procured, their cost is comparatively nothing; and from the manner in which they are crowded on board the slave ships, the expense of transportation for each individual becomes equally insignificant. In consequence, the selling price in Brazil is 30*l.* to 40*l.* sterling for an able man. For that sum, the dealers will brave the reprobation now pronounced by all classes against this traffic; they will run the risk of detection, forfeiture of vessel and property, and bear all the ignominy of personal exposure and punishment.

After stating the price, it may be useful to give a few particulars respecting the numbers of slaves imported.

It appears from parliamentary papers presented to both Houses by the king's command, in 1819, that, up to that date, the amount of slaves annually imported into the Brazils was 20 to 30,000; into Cuba, about an equal number.*

Since that period, the most strenuous exertions were made by Lord Castlereagh, and still more by

* For full information on this subject, see the interrogatories put by Lord Castlereagh to the different authorities employed for the suppression of the trade, with the answers thereto, contained in the Parliamentary Papers, 1819.

Mr. Canning, to induce foreign governments to exert their power to terminate the traffic. But, however courteous the apparent compliance, nothing with sincerity has been done.

In September, 1821, H. J. Leeke, Esq., of H. M. ship Myrmidon, stationed off the coast of Africa, wrote as follows to Commodore Sir R. Mends:—"There actually sailed from the river Bonny, between the months of July and November last year, 126 slave-vessels; six of them were heavy vessels, one a frigate-built ship, mounting 28 guns, 200 men." On the 7th November, same year, this officer further writes:—"The vessels reported in my last to have left the river Bonny between the months of July and November, 1820, with 86 that have already sailed this year, added to these, with 35 from the Bembia and Cameroons, will make their number 424, many of them carrying 500 to 1000 slaves; and by allowing only the very moderate average of 250 to each vessel, will make 106,000 slaves exported from the northernmost rivers in the Bight of Biafra in the short space of 18 months."

In 1822, 28,246 were imported into Rio de Janeiro alone.
In 1823, 18,922
In 1824, 26,712

The importations into Havannah cannot be given with equal precision; but it appears from instructions given to Mr. Lambe, the British Consul at that port, contained in the Parliamentary Papers

of 1824, that government were in possession of information, that 44 vessels, carrying 16,000 slaves, had arrived in the Havannah in the course of the preceding year.

Within the last two years, not the smallest decrease appears to have taken place, judging from the dispatches of the naval officers on the African station, which are published in the Parliamentary Papers of 1827.

In Bahia alone, in the Brazils, 6359 slaves were imported between the 1st July, 1825, and the 30th June, 1826.

Mr. Consul Pennell, in a letter to Mr. Canning, dated October 1826, states, that the importations generally had considerably increased during that year, probably in anticipation of more efficient measures being adopted hereafter to stop the trade.*

Dreadful as are these odds against which the British colonies have to sustain competition, they are aggravated by further disadvantages.

It cannot be for a moment disputed, that the measures affecting the slave population, of which the public has latterly heard so much, have enhanced the cost of labour in the British colonies. Besides regulations prescribing limits to the quantity of work to be performed, laws are provided to secure to the slaves a liberal supply of food, clothing, lodging, medical attendance, and support to

* Parliamentary Papers, 1827, class B., p. 100.

the aged and infirm for the remainder of their lives. This was, no doubt, generally the case in practice before the slaves acquired a right to them by law; but the effect of all the discussions on the subject of slavery has been to lessen the portion of labour obtained by the master.

It would be difficult to judge of the precise degree in which these allowances to the slaves in the British colonies exceed those of foreign countries; but if we take the total imports from Great Britain and America, of those articles which are mainly consumed by the slave population, the imports of Jamaica exceed those of Brazil in the proportion of more than 3 to 1.

Moral and religious instruction has also been provided in the British Colonies, with many regulations which impose expense, either directly or indirectly, upon the sugar planter. It is not intended to complain of these regulations; but it is surely allowable to institute comparisons with foreign countries, and to show that, in the promotion of objects desired by the British legislature, our own planters must be at greater outlay, and sustain diminution in the returns of their labour to which foreign planters are not subject.

To judge of the combined operation of all these advantages at which the foreign sugar planter conducts his business, it may suffice to state, that the price of sugar in Brazils, for a considerable time past, has averaged, for Muscovado, 10*s.* to 11*s.* per

cwt.; white, 17*s.*, calculating the price at the current rate of exchange.

Notwithstanding this extreme lowness of price, a profit must still be obtained, for there seems no diminution in the avidity displayed by planters to procure fresh slaves. The whole increase of consumption on the continent which has taken place since the peace, has been supplied from countries actively engaged in the slave trade. The annexed statement exhibits the progressive increase of importations into the principal European ports:

AMSTERDAM.

		Chests and Boxes.
1819	Havannah and Brazils Sugar.	5006
1824	Do.	11358

HAMBURGH.

1819	Havannah	19424
	Brazils	20155
1824	Havannah	23957
	Brazils	44841
1827	Brazils	31785
	Havannah	49617

BREMEN.

1819	Havannah	12070
	Brazils	1465
1824	Havannah	20685
	Brazils	1693
1827	Havannah	23798
	Brazils	2805

Section III.

East Indies.

The voluminous East India Report which, in the year 1822, was laid by the Court of Directors before the Court of Proprietors, and printed by their order, contains full and authentic information respecting the mode and cost of cultivating sugar in India. From that Report, it appears that sugar is produced in the East Indies by two classes of persons; the ryots, who raise the sugar-cane, and the goldars, who manufacture it into sugar.

By giving a brief outline of the circumstances under which each class is placed, a better opportunity will be afforded to judge of the elements of cost, and of the process of manufacture, which is entirely different from that of the West Indies.

The ryots are the farmers, or actual cultivators of the soil; properly speaking, they deserve rather the appellation of peasants, and are generally oppressed by their landlords, and in a miserable state of poverty. After they cut the canes they extract the juice, and boil it down into an entire mass, which generically is called goor, without making any attempt either to clarify it, or to separate the sugar from the molasses*.

* Appendix III. to East India Report, p. 23.

This goor so produced is of various kinds, one of which, the most common in use, and from which sugar is most frequently made, is called by the English settlers jaggery.

When first made, it is of the consistence of a thin extract, and it is poured into earthen pots, which hold from one maund to one maund and a half by weight equal to about 82 lbs. to 124 lbs. It is black and disgusting in appearance, but in this state it is principally used by the natives. When it is intended to be made into sugar, it is taken in these pots to market, where it is sold to the manufacturers. Sometimes months will elapse before it is exposed for sale, and if the rainy season set in, it is certain to be spoiled. In its primitive state it is used in very large quantities by the natives, who mix it with milk and with grain, prepared into various kinds of sweetmeats*.

When the manufacturers purchase the goor in any of its forms, they have to re-dissolve it in water, and bring it to a perfectly liquid state, before they can commence their process of sugar-making. They then proceed to boil it down to the consistence of sugar, making use of large infusions of vegetable alkali to clarify it.

It is easy to perceive that the cost of this double operation must be great; and it may be useful to detail it, as far as it is practicable, specifically,

* Appendix III. to East India Report, p. 24.

taking the elements composing the entire cost in the following order:

Charges of Cultivation.
Charges of Manufacture.
Expense of conveyance to Calcutta.

The zemindars are the hereditary landlords who furnish the taxes to government, and who are ever on the alert to raise exactions on their peasantry, whenever this class have means within their power of deriving greater emolument than that to which they have been accustomed.

Dr. Hamilton* thus expresses himself on this subject: "The expense of cultivating sugar-cane is considerably more than that of cultivating grain; and wherever sugar is reared the rent is high. In some parts this is laid on openly; and the same field which, when cultivated with grain, pays one rupee, pays five when cultivated with sugar.

"In most places, however, even this circumstance cannot be ascertained, for the rent of the whole higher land of a light free soil is raised, and the tenant may cultivate whatever he pleases.

"But, as the rent is made high in proportion to the quantity of sugar land in the district, each farmer must receive his proportion, and he could not pay this rent should he neglect this valuable article. In such districts the whole land of this

* Appendix III. to East India Report, p. 25.

nature often rents for two rupees a Calcutta bigah, and more than one bigah out of ten is probably not cut in the year. On the whole, farmers in districts where sugar-cane is cultivated, are by no means richer than where grain is the only produce."

The bigah is equal to one-third of an acre, and where the land is good, it will produce 168 maunds of cane, or 13891 lbs., yielding 14 maunds, or 1159 lbs. of jaggery.

Assuming the average rent to be paid, the charges of cultivating the canes, including the cost of plants and all contingencies, amount to 18 rupees 8 anas* per bigah, or about 1 rupee 4 anas per maund; of which labour forms a part, varying from one-third to two-fifths, according to the quality of the land; the remainder is absorbed in rent, and in cattle, manure, plants, and other contingencies. The expenses of grinding and extracting the juice from the cane are stated to amount to about 7 or 8 anas per maund, so that the entire cost of cultivation of jaggery may be stated at 1 rupee and 12 anas per maund†. This appears the average selling price of the ryots to the sugar manufacturers, which confirms the correctness of the calculation.

Dr. Hamilton observes that the value of jaggery

* 16 anas make one rupee.

† Full information on this subject may be found in the East India Report, Appendix I. pp. 95, 140, 150; App. III. pp. 69, 72, 73.

varies very much; in some years it falls to $1\frac{1}{4}$ rupee per maund, in others it rises to $2\frac{1}{4}$; but the average may be a little better than $1\frac{1}{2}$ rupee, or something more than 2 rupees the hundred weight.

Twenty-four maunds of jaggery will produce 7 maunds of clayed sugar. Calculating, therefore, the value of the jaggery at 1 rupee 12 anas per maund, and taking the maund at 82 lbs. weight, and the rupee at 2*s.* sterling, that part of the cost of sugar properly coming under the head of cultivation will be 16*s.* 4*d.* per cwt.

The cost of manufacture has next to be estimated. Though the machinery and implements for manufacture are of the most rude and simple construction, yet the native manufacturers are a very superior class to the ryots. Dr. Hamilton observes on this subject:

"All the manufacturers (goldars) are natives, and most of them are men of considerable wealth. Three or four thousand rupees for each boiler is the smallest capital that can carry on the business, and very few have borrowed money. Some live in a very decent manner like landholders, and some indeed have purchased considerable landed estates. A principal part of their profit arises from advancing money to the cultivators from whom they procure the extract. The farmers who want advances, in the end of June or beginning of July apply to a manufacturer, who sends a person to inspect the cane. The terms having been then

settled, a release is procured from the landlord, who accepts of the manufacturer's security for the rent, in place of his hypothe on the crop, and the manufacturer becomes bound to pay the whole money, that is, to be advanced by four instalments, into the hands of the landlord. In general, this is sufficient to pay the whole rent of the farm. It is usual to advance from 12 to 15 rupees on the bigah, that is equal to half an acre. The extract is received in payment, at one sixteenth below the harvest market price, which the manufacturers keep low, as no one bids until this has been arranged. The manufacturer, besides, receives the value in extract of half an ana for every rupee advanced; and when the account is closed, from $1\frac{1}{4}$ to $1\frac{3}{4}$ anas on the rupee, by way of interest. He therefore, on the whole, receives from $2\frac{3}{4}$ to $3\frac{1}{4}$ anas on each rupee that he has advanced, or from 17 to 20 per cent. Both landlords and farmers are desirous of dealing with the sugar manufacturers."

The following is a statement of the expenditure in a manufactory boiling 1000 maunds of jaggery per annum, which is stated to be the average quantity manufactured in each manufactory:

	Rupees.
First cost of jaggery, 1000 maunds at $1\frac{1}{2}$ rupee.	1500
Labour, including agent or accountant.....	113
Fuel, milk, and pot-ash	187
Buildings and repairs.....	200
The profit, including the interest of money on advances	796
	2796

The following are the articles produced:

	Rupees.	
To 187½ maunds of fine sugar, at 7½ rupees.	1406	4
To 62½ maunds of coarse sugar, at 4¼ do. . .	265	10
To 200 pots of inspissated molasses at 5 do. .	1000	0
To 125 maunds of treacle at 1 do.	125	0
	2796	14*

Computing the maund, as before, at 82 lbs., and the rupee at 2*s.*, the value of this manufactured sugar will be 20*s.* 6*d.* per cwt.

The value of the jaggery is estimated at 1½ rupee per maund, in place of 1 rupee 12 anas; taking the proportions before stated between jaggery and sugar, this would make the cost of *cultivation* only 14*s.* per cwt., leaving the cost of *manufacture* 6*s.* 6*d.* per cwt.

But 1 rupee 12 anas is the more usual selling price of jaggery, and if it be taken as the criterion, the statement will stand thus:

	£.	*s.*	*d.*
Cultivation	0	16	4
Manufacture.	0	6	6
Making the entire cost of sugar in the *interior of India*.	£1	2	10

Before it can be exposed for sale in Calcutta, several other charges have to be added. There is the expense of packing, the cost of transport to Calcutta, including several charges incurred there, fiscal impositions on transit, and a large allowance for waste and drainage. Besides, the profit or

* Appendix III. East India Report, p. 29.

commission of the Calcutta vender has to be taken into account, together with compensation for many contingencies which it is easy to imagine must be incessantly occurring.

These charges and allowances it would be difficult to state specifically; but having exhibited the component parts in the first cost of production, an opportunity will be afforded to judge of the entire amount of the charges from the following statement of the prices of sugar in Calcutta, from the year 1815 to 1821 inclusive, taken from the East India Report.

		£.	s.	d.	
1815	Minimum	1	6	1	per cwt.
	Maximum	1	14	0	
	Average	1	10	7¼	
1816	Minimum	1	11	8	
	Maximum	1	15	7	
	Average	1	13	4¼	
1817	Minimum	1	11	8	
	Maximum	1	16	5	
	Average	1	13	7½	
1818	Minimum	1	10	1	
	Maximum	1	18	0	
	Average	1	13	5	
1819	Minimum	1	12	5	
	Maximum	1	19	7	
	Average	1	14	10¼	
1820	Minimum	1	6	1	
	Maximum	1	16	5	
	Average	1	11	10½	
1821	Minimum	1	11	8	
	Maximum	1	14	10	
	Average	1	13	3	

In the year 1819, the agents of the Company contracted at Benares, with the manufacturers, for 1000 tons of sugar, at 7 rupees, 7 anas, and 2 pice, which is a mere fraction under that stated in the calculation of the cost of production. They paid the expenses of packing, transport to Calcutta, and all other charges. Perhaps part of this crop might not have been brought to sale until the following year. By deducting, therefore, the first cost, 1*l.* 2*s.* 10*d.* from the Calcutta prices of the years 1819 and 1820, we may perceive what the average charges are, supposing sugar to be conveyed by private dealers in the natural and accustomed manner to Calcutta for sale.

Prices have risen since 1821; they do not appear stated in any official document of equal authenticity to the India Report; but from the Calcutta price-current it appears that the advance has been 2*s.* to 3*s.* per cwt.

Having detailed the cost of producing sugar, it is now necessary to inquire, if it be likely that that cost in future could be materially reduced.

In the first stage of the procedure, that part which is in the hands of the ryots cultivating the soil and producing the jaggery, it is very improbable that any saving or reduction in price could be effected. Rent enters largely into the elements of cost; and it is all important to consider, that if improved implements of husbandry be introduced, or a saving of labour be in any manner effected

through science or superior farming, rent will immediately rise.

Though there is abundance of waste and uncultivated land in many parts of India, yet it is appropriated, and has legitimate owners. The moment it is likely to become profitable, either the supreme government, or some zemindar, will step forward to claim its possession. From the dense population of India, rice, other descriptions of grain, and articles of sustenance generally, must always be, beyond comparison, the chief articles raised from the soil. They can never be dispensed with or superseded; and rent will be regulated throughout India on a scale precisely proportioned to the cost of producing these chief articles of sustenance. If rice be, as it is described to be, the chief grain cultivated, it will be the regulator; the cost of labour alone employed in raising it on the worst land will determine its price, and on that land little or no rent will be paid. The landlords of all land of superior fertility will exact a rent equivalent to the surplus produce which their land yields over the worst land in cultivation. If the worst land yield twenty maunds rice per bigah, which is just equal to pay the labour expended on it, no rent will be paid on that land. But if land in the immediate neighbourhood yield thirty maunds, twenty of which go to defray the labour expended on it, then ten maunds will go to the landlord for his rent. If the land yield eighty maunds, or, what is the

same thing, *yields an article* which is equal to eighty maunds in exchangeable value, then the landlord will exact sixty maunds for his rent. Let us imagine for a moment that this exaction was not attempted in the first instance, and that all rent was fixed at the same rate: those ryots who raised eighty maunds of produce must make a very large profit compared to those who only raised thirty. The latter would instantaneously perceive the difference, and would at once go to the landlord, and offer him a higher rent for the superior land possessed by their neighbours. It is obvious they could do so to a great extent; they could double, treble, quadruple their offers, and still better their condition: in time, active competition among them, thus instigated by a sense of personal interest, would elevate rent to its highest rate; and the condition of those who cultivated the best land, or raised articles of higher value, sugar for example, would, as Dr. Hamilton has described, be no richer or better off than that of those who cultivated inferior land, where grain was the only produce. In every respect, there is an analogy between the principles relative to rent in England, and those appertaining to India; the same general laws govern both. Suppose a farmer in some sunny luxuriant vale of Devonshire, by a fortunate discovery found that he could cultivate the vine with such success, that he was able to raise off the same acre produce selling for ten quarters of wheat,

where five only before had been raised: if he continued to pay the same rent, he must realize a very large profit. But an adjoining farmer, who was only obtaining 8 per cent. on his capital, would not overlook the advantages enjoyed by his fortunate neighbour: he might fancy that he could still further improve the culture of the vine; and he would offer to the landlord of the vineyard such a rent as he might conceive would leave him a certain profit of 8 per cent. on his capital, together with such prospective advantage as his opinion of his own skill, assiduity, or fortune, might lead him to anticipate. Would the landlord refuse this offer? English landlords are described to be forbearing and disinterested; but it is to be apprehended, with all their virtues, they would prefer increase of income to the transient praise of selling gratuitously a small quantity of wine on cheaper terms than it could be raised at elsewhere.

Without assumed illustration, the hop-grounds in Kent and Sussex present a case in point, showing how rent advances when any natural advantages exist for the culture of peculiar or subordinate articles of agricultural produce, though of higher exchangeable value than the chief products of the soil. If foreign wheat were admitted free of duty, all rents would fall; the rent of hop-grounds as well as of wheat-fields, because wheat is the regulator, and the same profits of stock must be obtained upon all branches of culture. But where the importation of foreign

wheat is prohibited, we need never look for a diminution in the price of hops, because we know that the price of hops is not above its equitable rate, the profit of cultivation in a large average of years not being greater than that of wheat. On the same principle, in India, the profits of raising rice and raising the sugar-cane are presumed equal: the first is the principal article of agricultural produce; the latter is subordinate; it is therefore quite out of the question to lower the price of sugar in its first state of manufacture, in that state called jaggery, unless the price of rice is in the first instance lowered. They who attempt to do so, work at the hindmost end of the undertaking, and seek to remove concomitant effects without at all remedying the leading causes by which those effects are occasioned.

When no farmers or capitalists exist in the community, and profits of stock, properly speaking, enter not into the question, the conclusions here maintained appear still more striking. Competition amongst a wretched peasantry abjectly dependent upon the will of their lords, bereft of all energy or hope, and excited to slavish importunity by the cravings of hunger, reaches to far greater length than competition among capitalists desirous only to accumulate gain. By degrees that description of food which, on a given space, yields the largest sustenance to man, alone is cultivated. Rent rapidly advances; there are soon only two classes

of people in the country, the landlords and the miserable labourers; and the prospect of profitably introducing the cultivation of articles of higher exchangeable value for extraneous sale becomes less and less. Need we adduce the potato-grounds of Ireland in illustration? In India, the natural or habitual rate of wages is at its lowest ebb; and it is not probable that in the chief articles of agricultural produce there can be any reduction of price.

The notorious fact stated by every writer on India, that the landlords there are rapacious and exorbitant, may, in the opinions of many, have rendered it unnecessary to expatiate on this subject; but full exposition will not be without its use. The unprincipled habits of plunder of the zemindars, and other persons of rank, have generally been described in forcible and appalling colours by writers unfavourably disposed towards that portion of our empire, for the purpose of raising a prejudice in the minds of Englishmen against encouraging persons so deserving of reprobation. Their opponents have availed themselves of this line of argument, and have stated in reply, that the rapacity or exactions alluded to have been temporary; that it is true they have existed in turbulent times past, but now good government is introduced they will speedily be at an end, and then all facilities for more profitable cultivation will be brought into action.

Now, it is very material to consider that, as

government improves, the prospect of producing the sugar-cane on cheaper terms will diminish. Dropping the repulsive terms, rapacity and plunder, the affirmation may simply be made that *rent will rise* so soon as the proprietor can, without personal apprehension, or the dread of having his income taken from him in the shape of taxes, exact from his peasantry any impost which they are willing to pay. What is good government? Security of property, and the liberty of doing with it what the proprietor pleases. In some countries, the peasants fix the rent, because, if the landlord accede not to their terms, he runs the risk of having his house burned. In others, the occupation of the land is exposed to bidding, like any transaction in commerce: the proprietor announces, "These are my terms, accede to them if you please; if not, no harm is done." Which country exhibits the best government, or in which will rent be highest? In point of fact, there is every reason to conclude that, as government becomes equitable in India, rent of sugar-land will positively advance. At present, the fear of taxes arbitrarily imposed, and as arbitrarily levied, may prevent zemindars from demanding the utmost for their best lands: they may reason with themselves, that the more they obtain, the more they have to pay in taxes; and not knowing the principles on which the taxes are levied, they may fear a heavier demand than they have themselves in the first instance exacted. But when

all taxes are adjusted on equitable and known principles, this consideration will cease to actuate them. The affirmation, therefore, is warranted, that there does not appear the least likelihood of jaggery being produced on lower terms than 16*s.* 4*d.* per cwt.

If the cost of cultivation cannot be diminished, the price of sugar can only be reduced by a saving effected in the manufacture, or in that part of the process which consists in boiling the sugar from the jaggery.

It is acknowledged that the manufacture is as badly conducted as it can be, and that great improvement may be effected by the introduction of capital and machinery. The question is, will the possessor of capital in India be satisfied with such a rate of profit as would enable sugar to be sold greatly under the rate at which it is now manufactured. It was seen in the statement quoted from Dr. Hamilton, that the chief portion of the profit was derived from the interest on the advance, stated to reach so high as 19 or 20 per cent. Have any legitimate reasons ever been produced to show why capital sunk in a different manner in manufacture should yield less returns? If 20 per cent. can be obtained merely on interest, while the possessor is at no trouble in personal superintendence, it is difficult to conceive how profits could be greatly reduced if the funds were directed to another channel, in which the capitalist himself actively engaged in pro-

duction. So long as the structure of India society remains on its present footing, there is very little prospect of the rate of profit being reduced; it can only be done by the naturalization of British settlers and capitalists, which is not likely to be authorized for some time, and which will not be virtually accomplished for a long time after it is permitted. But even if they were naturalized, they would not be satisfied with profits lower than the existing rate of interest; in all countries the former is higher than the latter, to compensate for inferior convertibility or realization of property, and for greater trouble and risk in attending to business. To reduce interest in such a territory as India is more easily imagined than executed: the habits of the Hindoos must undergo great changes; and when those changes ensue, may not many other branches of industry arise more than sufficient to absorb any reasonable supply of capital that may be expected to leave this country to find investments in India?

There is, however, another ground on which the expectation of obtaining cheaper sugar from India has been advocated. The entire operation at present is stated to be attended with great and uncalled-for waste of labour and fuel. The first business of the manufacturers is actually to undo all that the ryot had previously done, and to reduce the jaggery again to the state of juice, and then to evaporate it a second time. Besides this useless

expense, the juice of the cane is allowed to ferment, and the acid, which is thus generated, prevents the sugar from granulating, and materially injures its quality. All these defects, it is conceived, could be easily obviated by introducing the West Indian system of expressing the juice with celerity, and saturating it with lime to counteract its acidity. Sugar then would be produced both on cheaper terms, and of better quality.

It is true that all this could be done; but as to the probability that it *will* be done, we need only remark, that thirty-six years have elapsed without any perceptible improvement taking place. In 1792, the imperfections were pointed out with great minuteness of detail, and many remedial efforts have since been attempted, but all without effect. Reasons may be assigned for the failure, which, it is strange, have in general been but little attended to. Jaggery is consumed by the natives in infinitely larger quantities than manufactured sugar. The production of the latter with them is a secondary object; and it would be contrary to all experience to expect that they would change a process, conducted on a large scale for domestic consumption, to one of much less extent, dependent upon foreign or extraneous demand. From the first occupancy of the ground, an entirely different system must prevail: the farmer of the soil and the manufacturer of sugar must be united in the

same person; and before the latter will descend to this double avocation, the prospect of profit must be greater than any likely to appear in accurate calculations on this subject.

Few, indeed, who have not examined details, are aware of the smallness of that part of the entire cost of Indian sugar which relates properly to the charges of manufacture. Even assuming the extravagant reduction of 50 per cent. to take place, it would only affect the price a few shillings per cwt.

In regard to the remaining incidental charges in India, it does not seem reasonable to conclude that they are either exorbitant or capable of reduction. They cannot be comparatively higher on sugar than on other articles of similar bulk and value; and the East India Company, in promoting the general interest, must have long since sought to remove impediments that needlessly augmented the charges, or obstructed the operations of trade. A great advantage of the West India sugar colonies consists in the facility with which their produce is shipped and brought to sale. Let any planter reflect on the inconvenience, expense, and loss of interest on capital which he must sustain, if his plantation were situated some hundreds of miles inland, and two seasons had to elapse before he realized the sales of his produce; and an idea will be presented of the superior capabilities of the West to the East Indies for supplying the European

market with sugar. Even after the produce is conveyed to Calcutta, what a time must elapse, exclusive of the heavy freights, before it is landed in England!

Before terminating this subject, it may be proper to subjoin a remark respecting these freights to Europe. It is well known that, at present, scarcely any allowance is made on this head, the sugar being shipped to ballast the lightly-laden vessels. The importations of the East India Company seem confined to a certain periodical quantity, and it may be concluded that the full quantity is shipped which can be advantageously taken under the form of ballast. But were importations increased from ten thousand tons to a hundred thousand, the saving now effected on the smaller quantity would be entirely lost; for, as one ship could not be more favoured than another, all ship-owners would demand a freight proportioned to the bulk of the article and the length of the voyage.

In order to confirm, by an appeal to facts, the general arguments advanced, a statement is given of the importations into the chief continental markets for some years past. In these ports, sugar is received from all parts at the same duty; yet it does not appear that importations from India have increased,—affording full proof that East India sugar cannot compete with sugar raised elsewhere, notwithstanding the most sedulous attempts for upwards of thirty years to improve its cultivation.

Foreign Importations of East India Sugar.

	Rotterdam.	Amsterdam.	Hamburgh.	Bremen.
	Bales & Matts.	*Bales & Matts.*	*Bags.*	*Bags.*
1818	14234	29801	17516	3214
1819	21476	20849	39133	9177
1820	10054	20833	36914	2½mill.lbs.
1821	13600	21997	13132	8799
1822	17321	17422	19474	26946
1823	11530	12794	30836	8600
1824	29809	27833	12252	6900
1825			11262	642
1826			15435	1078
1827			16000	10010

The importations into England.	Imported.	Exported.
	Tons.	*Tons.*
1819	10200	4400
1820	13800	9300
1821	12900	8100
1822	11000	5300
1823	11000	5200
1824	13500	7600
1825	12700	3300
1826	16500	4200
1827	14750	5000

It is hoped that the reasoning in this Section will not be misunderstood by the legislature, or by any parties concerned. A deliberate declaration has been put forth, that sugar can be supplied from the East Indies on cheaper terms than from any other quarter. It is surely the first object to inquire into the accuracy of that statement. In private life, if an individual solicitous for employment assert that he can perform certain services for more moderate terms than customary, before we accede to his

proposal and dismiss an old dependent, we examine his pretensions, and if we find them delusive or empirical we reject his offer with contempt. A similar rule, on behalf of the public, has been adopted, to judge of the probability of the East Indies supplanting the West Indies in the supplying of sugar—need it be added that there is parity in the illustration and in the general inference? In reality there appears little prospect of sugar being obtained from the east on cheaper terms, *if things be left to their natural operation.* But it is of the utmost consequence to attend to this qualification. On reflection, it must be evident, that if the English market be freely opened to the East India Company, *they have it in their power* not only to injure the West Indians, but to ruin them. They may do so, for these reasons: First, That besides the absolute sovereignty, they may obtain the actual occupancy of land suitable for the growth of sugar. In this case all observations relative to rent become nugatory; and if the Company be determined to raise sugar, they are their own judges of profit, and can nominate any price they please. Secondly, because the East India Company levy taxes. If they fancy that by trafficking in sugar more extensively with Europe than at present, they may realize large profits, the cupidity of traders may predominate over the justice of sovereigns, and they may impose such taxation as will greatly favour and facilitate the growth of sugar. Thirdly, because as sovereigns also they

can regulate the rate of interest. If they take business from private individuals, and thwart the natural employment and returns of stock, it is evident that another great reduction may be made in the price of sugar. Even if the Company, in its collective capacity, should not attempt any of these measures, still, by means of patronage, certain facilities may be given to private traders, enabling them to overcome many of the obstacles just described. If plantations be formed solely with the view of raising sugar for exportation, independent of local consumption, and, in its production, disencumbered of those impediments which belong to the structure of Hindoo society, there can be no doubt that it will be raised on cheaper terms than in the West Indies.

It is not cheapness of labour alone which operates; the freedom of trade which the East India sugar-grower, so situated, would enjoy, contrasted with the restrictions with which the West Indian is burthened, would enable the former effectually to supplant the West Indian colonist in supplying the British market. Let that market be thrown open, and it is evident that a vast excitement must be given, and that men, professedly in the pursuit of gain, would avail themselves of their exclusive privileges, and would use every expedient to promote their personal advantage, without troubling themselves with considerations for the general weal. But these expedients would be in direct

opposition to all the popular arguments urged to justify the extension of the East India sugar trade. The undue patronage by which it would be occasioned, would be very different from the spontaneous naturalization of British settlers, pursuing the natural course of industry; and though that patronage might benefit a few favoured adventurers, yet it must be injurious and unjust to the natives of India. Would it be right in the British nation to put this power in the hands of a commercial company, and to encourage a species of production which must become, in respect to India at large, peculiarly artificial? Would Great Britain herself derive benefit from the change, supposing that she dropped all regard for her Indian subjects, and merely looked to the question in one point of view, her trade in sugar? These are material considerations, and form the next points of our inquiry.

Chapter V.

GROUNDS FOR ESTABLISHING A PROTECTING DUTY ON WEST INDIA SUGAR.

Two grounds alone exist on which protection to a particular interest can be justified: justice—policy.

By justice is meant the obligation imposed upon all legislatures to protect its subjects impartially, efficiently, and consistently, and to adhere to its solemn pledges, on the faith of which large investments of property have been made and are dependent.

By policy is meant such political regulations, as, after fulfilling the claims of justice, are calculated to draw most benefits to the aggregate interests of the empire.

Protecting duty on West India sugar is authorised on both grounds.

Section I.

Justice.

In the analysis which has been given, of impediments against which West Indians have to contend in their cultivation, it cannot have escaped observation that all the duties and restrictions are im-

posed for the benefit of some other class of British subjects. In shipments made to the colonies, the British manufacturer in woollens, cottons, and silk is protected by a duty of 20 or 30 per cent.; the Scotch and Irish linen bleacher is protected by an equal duty against his competitor in Germany. The provision merchant has 12*s*. per cwt. on his beef and pork. Not only all the interests in the United Kingdom, but those of our other colonies, step in for their share of advantage. The subjects of Newfoundland, and those engaged in the fisheries, enjoy indefinite protection. The Canadian farmer has 5*s*. a barrel on his flour. The timber-merchant, in a corresponding degree, is protected against the competition of the dealer in lumber in the United States. In all, we find strict illustration of the *domestic reciprocity* system. Are there any legitimate grounds to put the West Indians beyond the pale of the political compact?

But this is not all. West Indians either reside in the mother country, or they ultimately return thither. In their personal expenditure, in Great Britain, they contribute to the assistance of some other interest, and to the immediate support of government. As consumers, they defray part of the protecting-duty enjoyed by the silk and woollen manufacturers, and above all, by the agricultural interest. As consumers also of taxed commodities, they pay part of the interest of the national debt, and supply their quota for the naval and military

defence of this kingdom. In point of fact, not an estated gentleman in the land could adduce one solitary imposition to which the West Indian planter does not equally with himself contribute. Repeatedly the interrogatory has been put, but never has an answer been even attempted—What is the difference in regard to national effects between a Jamaica planter and a Scotch or Irish landlord of equal property, residing in London? Both equally draw their income from a distance, and both, out of that expenditure, pay the same amount of duty to the customs, to the excise, and to other branches of the revenue. When West India planters thus perform all the functions and obligations of British subjects; when, in the production of their commodities, they are subject to expenses and disadvantages, equally, nay more heavy than those to which any interest in England is subject; when, in spending the income derived from the sale of their commodities, they again pay every impost which is levied in this country, it is surely evident that, to compensate for all these charges, they are as much entitled to a protecting duty on their produce as any of those interests to whose benefit they, as consumers, directly contribute. And if, being unrepresented in the imperial legislature, and possessing no means of making themselves heard with effect throughout the British nation, a commercial experiment is made arbitrarily to deprive them of that protection, it will be a violation of justice with-

out parallel in the history of commercial legislation. Few can be ignorant of the prodigious clamour excited when an attempt is made to put any interest at home on a more disadvantageous footing than its neighbours. The discussions on the silk duties cannot be forgotten. That manufacture was the least naturalized among us, and yet a protecting duty less than 30 per cent. never was for an instant contemplated. But even this regulation did not answer the purpose; for further protection had to be subsequently conferred, by altering the duty from an ad valorem to a fixed duty on quantity, which, in some cases, amounts to nearly double that originally proposed.

These facts cannot be lost upon the legislature, and they deserve the fullest consideration, before it is contemplated to make experiments with the sugar-planter. But in this appeal to justice it would be unpardonable to stop here, and to overlook a theme which must nearly touch the feelings of the British public. What, let us ask, must be the effect of an alteration of duties on the foreign slave-trade?

Cheapness in price of every commodity of late years has been so warmly advocated by political writers, as constituting the sole object desired by the nation, that scarcely ever does a thought arise how that cheapness is occasioned. Dearness, on the other hand, has been described as so great an evil, benefiting the few at the expense of the many,

that any system which creates it is broadly denounced, without the slightest examination into its merits. Hence, the ignorance evinced in many charges made against the system of West India cultivation. The improvident speculations, the extravagant expenditure of absentees, neglecting their business, and entrusting its management to agents, the unnatural system of labour requiring enormous sums to support it—these are alleged to be the legitimate causes which raise the cost of cultivation, for which high remunerating prices are demanded in return. It is presumed, that the plain statement of facts given in the preceding chapter, has effectually exposed this extravagant charge. The comparative high cost of raising sugar in our colonies is occasioned either by that generally excessive taxation with which British industry is, in every direction, burthened, or by regulations of the British legislature, having in view the promotion of British objects; and the comparative cheapness of sugar in foreign countries, so much coveted and eulogised by superficial inquirers, results from the continuation of the African slave-trade, with all its horrors, and after all the anxiety displayed by this country to have it terminated.

Can it be for a moment imagined that the British nation could deliberately supply a stimulus for the encouragement of this trade? At present a large quantity of British plantation sugar is shipped to

the Continent, which, of course, supplies part of the general continental consumption. If measures be introduced destroying cultivation in the British sugar colonies, this export to the Continent will cease, and by whom will the supply be made up? By the foreign slave-traders. Should the measures be further extended, introducing foreign sugar into consumption in England, the evils become infinitely aggravated. We ruin our own subjects, and we extend the number of Africans kidnapped, from thousands to hundreds of thousands.

The vast continent of Africa presents so many places for cargoes to be procured; the time, manner, and opportunity of landing those cargoes can be so easily watched; and, above all, notwithstanding laws and treaties, the feelings of the governments and the public opinion in foreign countries are so little hostile to the slave-trade, that until the profit to the trader ceases, we need never hope to see the traffic abolished. How is this profit to be stopped, but by restricting the markets in which sugar thus unfairly and inhumanly raised can be sold? Remove protection from the British colonies, and you hold out every inducement for an extended prosecution of the traffic. Let us attend to Mr. Huskisson's words on the 22d of May, 1823.

"Is not this detestable trade carried on to an "extent and with circumstances of atrocity un-"exampled? Have not all the power and influence "of this country been hitherto exerted in vain,

" either to stop, or to palliate its enormities? Are " they not perpetrated to this hour, unchecked, not " only by any sense of religious or moral obli- " gation, but in defiance of positive treaties, the " price of which we have paid, not only in all the " blood and treasure sacrificed by this country " for the defence of Portugal, but even in hard " money paid in vain to exempt a small part of " Africa from the visitation of this scourge of its " civilization and peace? When, therefore, it is " proposed to us, to risk the entire ruin of the West " Indies, by a change of system, which, in the view " of those who urge it, must aggravate all the evils " of slavery in other countries; and, what is still " worse, must stimulate those countries to per- " severe in the African slave-trade; I own, that " as a mere question of abstract humanity, I cannot " concur in such a proposal." To this eminent testimony may be safely added, that of every disinterested individual acquainted with the subject. Were England polled at this hour, there is not a family who would not abhor the notion of purchasing their sugar one penny per pound cheaper if they knew the extent of its effects, and that they were increasing the sum of African suffering.

In regard to competition elsewhere, or the justice of conferring a higher protecting duty on West India than on East India sugar, explanation has already been given.

India is not subject to the restrictions to which

the West Indies are subject. In the former country, importations can be freely made from any quarter. She can export her produce to any country, and she is not subject to the navigation laws. To the aggregate interests of the empire, to the British manufacturer and agriculturist, to the public taxation, the Indian ryot gives no such assistance as the West Indian planter. Need a word further be added to demonstrate that it is JUST to place West India produce upon a more favourable footing than that of the East Indies?

A singular argument was used in a discussion in parliament on this subject, justificatory of the equalization of duties, which, but for the authority from whence it emanated, would hardly have been entitled to notice. East India produce, generally, it was affirmed, was subject to higher exactions on importation into this country than West India produce; restrictions imposed in one shape on West India trade were contended to be thus balanced by restrictions imposed in another shape on East India trade; and, therefore, no exclusive grounds could be said to exist to justify a protecting duty on West India sugar. Now, it would be difficult to adduce stronger proof in favour of the West Indies; because, the very exactions alluded to, imposed on all importations from the East Indies, establish the broad principle on which preference is founded, and clearly prove that protection is not partial, but general. Those exactions

are to be viewed as consequences, not as causes; they arise from advantages which India enjoys in the operation of our commercial code, which makes it necessary for the imperial legislature to levy higher duties on the importation of Indian products into Great Britain, in order to place all her subjects on the same footing.

Did any apprehension arise that legislation of the present day was likely to proceed on less equitable principles than legislation of times past, it would be easy to adduce numerous acts of parliament declaratory of the rights now claimed for the West Indies, and which have, virtually, occasioned investments of British capital in West India cultivation. Even admitting, unqualifiedly, that commerce cannot be bound by unalterable laws, still regard for the public faith could never suffer irremediable injury to fall on existing interests, where those interests were dependent upon a system sanctioned and upheld for upwards of two centuries by express statute law. But, in reality, the rule of justice which guided the statesmen of King William and Queen Anne is equally applicable to the present times, and can hardly be expected to be abandoned. In the various changes that have taken place in his Majesty's Council since the peace, preference to West India produce for British consumption has been distinctly recognized. Before the present rate of duty was first fixed upon East India sugar, a conference was held between Lord Liverpool, Lord

Castlereagh, Lord Bathurst, Lord Buckinghamshire, the present Lord Bexley, and a deputation from the West India body, when the views of ministers were explicitly stated. It was then avowed, that the obligations imposed upon the West India Colonies, of receiving their supplies from and shipping their produce to the mother-country in British ships navigated by British seamen, obligations from which the East India settlements are exempted, entitled the produce of the former to be admitted into British consumption on more advantageous terms than that of the latter.*

In an interview between a deputation from the West India body, and Mr. Canning and Mr. Huskisson, which took place shortly before the death of the former distinguished statesman, this principle was again broadly and distinctly recognised. Might it not be judicious to make an official declaration of the fact, in order to check useless discussion and quiet the alarm of Colonists residing at a distance?

Section II.

Policy.

After our inquiry into the value of Colonial possessions, it is presumed that it will not be necessary to dwell at length on this topic.

* Marryat's "Thoughts," p. 54.

When every interest in the community enjoys equitable protection, any fancied expense by which it is supported becomes entirely relative, and cannot form a burden upon any separate portion of the public. Suppose a community to produce annually one hundred thousand pounds worth of coats, hats, shoes, stockings, and other articles of exchangeable value: these are all exchanged the one for the other, and profits of stock being fairly adjusted, all the producers are on the same footing. Imagine now restrictions *generally* imposed to prevent the injurious competition of a neighbouring community, that greedily grasps at every advantage, but will grant nothing in return. In this case, none of the producers enumerated could suffer by these restrictions; the shoemaker could not attempt to complain of seeming benefits enjoyed by the hatter, because he must know that he himself possessed corresponding advantages. But if any one interest was excluded from this general agreement, that interest must be ruined. The injury would not terminate with him: as many operatives must be thrown destitute of employment, their consumption of exchangeable commodities would decrease; and the trade of all the other producers, losing numerous customers, must, therefore, diminish; entailing just punishment upon them for their selfishness, in denying benefits to a fellow subject in which they themselves participated. The West Indian Colonists strictly present a case in point; injury to them

entails injury on the great family of which they form a part, and on behalf of that family at large, it is politic to protect their production over that of foreign countries.

But our East India possessions are also British, and some particulars immediately relating to this head, may, to make our task complete, require further elucidation.

The general rules laid down for regulating the trade of our distant possessions, cannot, it is conceived, be disputed. Still, many may maintain that it is not the province of Government to dictate the direction of industry, or to prescribe particular kinds of cultivation to its subjects; these solely concern private individuals, and should be left to their option, unfettered by partiality.

Again, others will argue, that granting it true that the West Indies are more essentially British, in character, than the East Indies, yet one hundred millions of men demand superior consideration to one million; what is lost in identity of character being, in reality, far more than compensated by superiority of number.

To the first of these positions, the answer is decisive: if the cultivation of sugar in the East Indies solely concerned East Indians, then they might freely be left their choice of industry; but when the question involves the consideration, whether the sovereign or mercantile character of the East India Company shall predominate; and when it is ascer-

tained that cultivation in the East, if persevered in to a great extent, must ruin another wing of the empire, it assuredly becomes a fit subject for regulation of the imperial legislature. We have, therefore, simply to consider whether or not superiority of numbers constitutes that claim for preference over the West Indies, which East India writers have advocated.

It must be quite evident, that the population of India cannot be benefited in a greater degree than that in which we take off or purchase their commodities. The 100 millions of people, in the manner in which the phrase is employed to inspire ideas of magnitude and importance, is, virtually, a figure of speech; because we can only confer a benefit to a certain given extent—the extent of our importations; and it matters little to this country, whether that benefit is extensively enjoyed by a small number or trivially enjoyed by a large number of people. The argument stands thus: by importing sugar from the East Indies, we give the Hindoos the means of interchange, and of taking from us manufactures in return. Now, the quantum of the latter merely goes opposite to the quantum of the former; it can have nothing to do with extent of population; it may take place with 20 millions equally with 100, with one million as well as with 20; for if it be alleged that collateral channels of trade arise, still those branches are dependent upon precisely the same rules as the principal trade, and the quantity

of manufactures taken off, will, in either case, be exactly commensurate with the extent of our importations.

Since, then, numbers have nothing to do with the question, its discussion is greatly simplified; and we have only to inquire, which of the possessions supplying us with sugar will give the greater stimulus to the sale of British manufactures, the West or the East Indies.

Cultivation in the West Indies is distinguished by the large amount of capital and machinery employed. In the East, it is characterized by the extent of it performed by manual labour. Viewing the question in regard to the consumption of manufactures alone, Great Britain will derive more advantage from the former description of cultivation than from the latter. Though high wages are disadvantageous, they are not uncompensated in some respects by many advantages. Besides the use of machinery which they occasion, they lead to economical division of labour, one of the chief features of which is, the importation of all articles necessary to cultivation, which can more cheaply be fabricated elsewhere. Hence, in the West Indies, all labour is directed to the soil; every article that can be made in England is imported from England. The steam engines, the mills, coppers, iron-teaches, stills and worms, pots, coals, bricks and lime, hoes, shovels, and tools of every description, hoops and nails, and clothing, as a distinguished statesman

once observed, from the crown of the head to the soles of the feet, all these are brought from England, and diffuse activity throughout every town in the empire.

Let us revert to the statement given of the manner in which sugar is cultivated in India by the ryots, and can it be contended that any quantity of British manufactures, worthy to speak of, will ever be used by them? But, besides certain possession, we command perpetuity of supply to the West Indies. Any change must thus inflict direct loss on British industry. Suppose a British artisan, at present, purchases 10*d.* worth of sugar, he may safely affirm that, of the elements of this cost, a large portion is the fruits of his labour; it has supplied earnings at some former period to him and his family. Might it not be prudent for him to reflect well upon this circumstance before he yields to the delusion attempted to be practised on him in regard to cheapness, and clamours for sugar produced in another quarter and in a manner quite different?

But it may be said, that, according to the principles just avowed, imports must correspond to exports, and if the manufactures exported requisite for the culture of sugar be less, they will be made up in something else. True, but if the exports from this country be, in the first instance, reduced, may not its imports afterwards be equally affected? It is much to be feared they would be so, if a number of Bri-

tish artisans were thrown out of employment, and had less earnings to devote to expenditure. Again, when it is affirmed that the balance of trade will be made up in something else, is it not recurring to the same argument in a different form? It is raw products that are required from India in exchange for manufactures. May not the same reasoning and illustration, in respect to machinery and division of labour requiring many implements and supplies from England, equally operate with these as with sugar; still demonstrating that, if we cease to fabricate those implements and supplies, we diminish employment in this country, and thus eventually diminish the means of its importation? The more, indeed, we examine the question, the more we shall find that to encourage India, and, at the same time, to increase the sale of British manufactures, we must raise the condition of the ryots: to do so, we must introduce cultivation, into which manual or immediate labour, of necessity, largely enters. To attempt the supplanting of cultivation in other parts of the empire in which great capital is employed, is not only a hazardous undertaking, but it tends to rob England of some branches of industry which, being an eminent manufacturing country, are essential to her existence.

Public discussion generally turning on this branch of the subject, it is necessary now to examine the question in another light. British capital,

it is contended, may go out to India; extensive sugar works may arise, rivalling those of the West Indies, and then supplies and implements for culture will equally be imported from England, as is the case in regard to supplies sent to the latter possessions.

Undoubtedly, capital may go out to India, in the manner stated, but if it should, it is more than questionable if the consumption of British manufactures would be thereby increased.

The employment of capital causes work to be performed scientifically, efficiently, and economically. Its very attribute is to supplant rude, ill-arranged management, and, of course, to turn out of employment a number of superfluous hands. India teems with population; has the consideration ever occurred what the people turned out of employment are to do? Is it to be supposed that, in the diversified occupations of industry in a large empire, recourse will not be had to other branches of employment; and has a fair balance been struck; in fact, has an inquiry ever been instituted at all, into the effect of this change upon British trade generally, and upon the consumption of our manufactures in India? The Hindoos possess, by nature, eminent manipulative skill; they only require an impetus to be given to their labour, to make them engage in many branches of industry, now supplied by England.

An immense population is, at present, occupied

on the soil where little machinery is used. Let capital be introduced, not, in effect, to benefit the mass of the population, but to supplant their occupations, and it will force numbers to engage in manufactures where cheap labour is of material consequence, and this must cause industry to take a direction very prejudicial to England. This is no imaginary foreboding. Great progress has already been made in many manufactures. Sir John Malcolm, a very eminent authority, declared in his examination before the House of Lords,

"That the facility of intercourse with India which "has followed the repeal of the Company's exclu- "sive privileges, by leading to the establishment "in that country of a great number of European "artisans and mechanics, will occasion a diminu- "tion of the exports of a great number of European "articles. The manufacture of leather lately estab- "lished in Madras, has already not only furnished "European accoutrements, but all species of "articles, down to ladies' gloves. Carriages and "other conveyances are made by European arti- "sans at Calcutta; all kinds of ribbon work, and "in short, every thing they can."

Mr. Fairlie expressed himself to the same effect:

"There are a great many articles now manu- "factured in Calcutta, that supply the place of "those formerly imported from this country; all "kinds of leather, carpenter's work of every "description, furniture, plate, and a variety of

" articles in copper and brass ; carriages are made
" there : many of them made entirely there, others
" from materials imported from this country ; few
" carriages that are imported from this country are
" completely finished here."

These facts demonstrate the importance of directing capital to that species of production which will employ numerous labourers on the soil ; such as to the culture of indigo and those articles formerly enumerated ; and they should induce the legislature to pause in time ere it countenances measures calculated to give a contrary and peculiar direction to Indian industry, and to loosen very much her mercantile dependence upon this country.

In addition to these considerations, let us reflect for a moment upon the extreme precariousness of receiving from India full supplies of sugar at the exact time they are required. If cultivation be once abandoned in the West Indies, it will never be resumed ; and in this case, we must look to India not only for a large but a *regular* supply every season. Leaving out of sight the distance and difficulty of communication, is it to be supposed that this could be accomplished, when we consider the many vicissitudes to which cultivation in India is subject? In no country is there greater fluctuation in the price of commodities generally ; which, indeed, must always take place where the rate of interest is extremely high, and where much risk is

encountered in the expectation of profit. The quantity of sugar now imported from India is so very trifling that it produces no effect upon prices, and it matters little whether a large or a small quantity come forward. But what a difference will ensue, if a large portion of our consumption have habitually to be furnished from thence! Numberless contingencies may intervene, obstructing the growth of sugar, independently of the chances of war or the security of dominion. A bad season and a failure in the crop of rice may cut off our supplies for the succeeding year; for the attention of agriculturists will then be directed to articles of paramount necessity. The effects of this uncertainty will not only occasion much distress, but it must eventually tend to diminish consumption in England. In luxuries used by the rich, variations in price do not greatly vary the extent of habitual purchases, but widely different is the case in regard to articles consumed by the poor, which to them are comparative luxuries. If any irregularity take place in their supply they are dispensed with, occasioning, in almost every instance, deterioration in the general comforts of the people.

This uncertainty of trade will not be apt to increase the vent for manufactures; and it will soon be discovered that it is not numbers which lead to extensive traffic between different countries, but reciprocity of wants suited to the principal commodities produced by each, and uninterrupted and regular intercourse.

The following tables of exports to both East and West Indies exhibit their relative state of trade, and will, it is conceived, serve to substantiate many of the arguments advanced.

Official Value of Exports to the East Indies and China, together with the Mauritius, including the private trade.

1820.....	£3,272,811
1821.....	4,303,045
1822.....	3,875,934
1823.....	4,355,431
1824.....	4,394,800
1825.....	3,945,076
1826.....	4,877,133

The exports to China amount to upwards of 830,000*l.* per annum, which have to be of course deducted. The private trade, inclusive of the exports to the Mauritius, exceeds 3,000,000*l.*, and a large portion of it is not to India proper, but to the Asiatic islands and to foreign territories.

Official Value of Exports to the West Indies.

1820.....	£4,561,246
1821.....	5,311,677
1822.....	4,370,100
1823.....	4,899,271
1824.....	5,167,931
1825.....	4,997,270
1826.....	4,047,293

This statement has been given, not exactly in conformity to popular opinions or to prepossessions entertained by West Indians themselves respecting the value of the export trade of manu-

factures, but to show the difference between British and Eastern manners. A population of 800,000, following the fashions and habits of the mother-country, take off much more of our goods than the 100 millions, of whom so much has been boasted. It must, therefore, be evident that, taking the claims of India, those relating to her vent for British manufactures, on her strongest and most feasible grounds, they yield to the claims of the West Indies under the same head.

But once more let it be urged, that this question of trade, or interchange of commodities, forms a subordinate feature of advantages derivable from our West India possessions. Great misconception and confusion of ideas are evinced in the manner in which West India writers dwell on the large consumption of manufactures in the colonies. Who thinks of estimating the trade between Hampshire and Yorkshire, or of exactly computing the yards of cloth in Lancashire, exchanged for the corn of the neighbouring county? The value of any particular district of the home territory is estimated by what it produces; it is surely high time for a similar rule to be adopted for our colonies, and to consider the annual returns of their produce, of their sugar and rum, as the proper criterion of the value of colonial trade. The entire of that produce must be spent in one shape or another, and so long as the colonial system of Great Britain exists under its present regulations, it will all be spent in the

consumption of British manufactures. In point of fact, provided an adequate quantity of supplies go out to the colonies necessary for the most approved and scientific system of cultivation, and fully proportioned to the wants of their population, the less manufactures are exported the more advantageous it is for the parent state. The greater, then, is the proof afforded of the richness of the colonial lands, the greater is the profit obtained from excess of returns over expenditure, the larger the net revenue remitted to England, the more extensive, in short, the tribute paid into the national coffers by colonial proprietors, both in direct taxes, and those which they indirectly pay on articles of consumption.

Even imagining, for the purpose of argument, that the capabilities of India for the cultivation of sugar were equal or superior to those of the West Indies, with all their richness of soil and acknowledged conveniences—in this case, to whom will the great profits, thus procurable, revert? Will they, directly or indirectly, reach England, and diffuse their fructifying benefits upon her home population, of which the outline was formerly delineated? Never! Indian zemindars only will be benefited, who may oppress their peasantry at pleasure, but the effects of whose ill-acquired prosperity will never animate commercial enterprise in England.

Augmentation of revenue to the Indian landlord, many would conceive equivalent to directly benefiting the East India Company. Under the rigid

system of exaction and the rapacity with which the provinces are drained of their wealth, the landowners might be considered merely as intermediate factors, who kept momentary possession of wealth, until it was taken from them by their all-powerful masters. In this point of view, the East India Company being composed of British subjects, wealth acquired in the East, in the cultivation of sugar, would revert to the mother-country in the same manner as acquisitions flowing from the West Indies. This supposition is erroneous, and evinces a narrow view of the question; because no consideration is taken of the effects of that draining of wealth upon a redundant population. Absenteeism inflicts no injury on the West Indies, because there the demand for labour fully equals the supply, be the capitalist absent or present; but, in the East, dreadful misery must arise, if you periodically remove all capital acquired in trade and increase the number of wretched labourers: the effects of that removal must soon diminish, not increase, the intercourse carried on with Great Britain, and endanger the political stability of our eastern dominions.

The exposition respecting the comparative claims of the East Indies and of the West Indies to supply the British market with sugar, has now been completed.

In the first place, it has been shown, that Great Britain will carry on a more extended commerce with countries where sugar is produced by means

of extensive capital, as in the West Indies, than in territories where it is produced by manual labour, as in the East Indies.

Secondly, That, assuming capital to go out to India for the purposes of sugar cultivation, it will not beneficially extend her commerce with Great Britain; because it must throw numbers of labourers out of employment, and leave them, in all probability, to embark in manufacturing pursuits, very injurious to the manufacturing interests of this kingdom.

Thirdly, That the supply of sugar from the West Indies will always be regular and certain, while from the East Indies it must be irregular and precarious.

Fourthly, That property acquired in the West Indies and transmitted to this country, is peculiarly advantageous to the aggregate interests of the empire; because it inflicts no injury on the colonies. But even supposing the improbable case that equal property could be acquired in the East and remitted to this country, it must prove injurious to the aggregate interests, because it would inflict dreadful misery upon the crowded population of India, where the number of people to be employed is out of all proportion to the employers.

Lastly, That sugar cultivation is essential to the West Indies, while, to the East, it not only is unnecessary, but, in fact, is grossly perverting and misapplying the capabilities of that large portion of our dominions.

These considerations, taken in conjunction, it it is presumed, will justify our continuing to consume West India sugar; and to insure its unabated supply, and to prevent unnecessary rivalry, emphatically injurious to the best interests of the empire at large, it is POLITIC to establish a protecting duty on it over sugar of the East Indies.

When we reflect upon the enlightened precepts of government of modern times, that the true interests of sovereigns at all times depend upon the happiness and prosperity of their subjects, it can scarcely be apprehended that the welfare of a great population will be sacrificed for the temporary and precarious emolument of its immediate rulers. In former times, when the East India Company had but slender footing in the East, they could not calculate upon advantages resulting from large dominion, and their immediate object was to realize exorbitant profits: but latterly their functions have assumed a very different character. Eminent wisdom, moderation, and talents for government have been displayed on great emergencies, which have tended to consolidate their power, and have greatly elevated their prospects of future benefit. To these, no impartial inquirer could refuse his assent; and any remark which has been urged, apparently derogatory to the claims of the East India trader, has not originated in a wish to censure, but has proceeded from a spirit of impartial inquiry, to exhibit to the British nation

the vast power of a very anomalous nature which a system of commercial policy, favourable to the growth of sugar in India, would place in the hands of the East India Company, and which might be liable to much misdirection and abuse. At present, there can be no doubt that a large portion of the intelligence of the community is favourably disposed towards a renewal of the Company's charter. It is so, because ample proof has been given that they are fitted for the task, and because, as Sir John Malcolm, with great correctness, has stated, with them the direction of Indian affairs is the *sole* object, while with the Imperial Legislature it would be but *secondary*: should it become so, need the example of other dependencies be adduced to show that misgovernment might follow? But if the East India Directory allow, unchecked, the indiscretion of a few of its members to expose to the British nation a sordid thirst for personal gain, predominating over considerations for the general welfare, public opinion will immediately change, and loud indignation will soon be raised, demanding the privileges of the Company to terminate with their charter. It is sincerely believed that the most influential of the East India Directors are aware of their true interests, and that the clamour for the introduction of East India sugar into British consumption is unauthorized by them, and proceeds from a spurious source. The private traders have originated the scheme, and what is their object?

Not to import sugar from British India, but to smuggle it from other quarters. This there would be no possibility of preventing on an equalization of duties. Cochin China, Java, and several other parts, present every facility for the growth of sugar, and in many places the slave-trade is actively prosecuted. It would be superfluous to dwell on the egregious impolicy of giving latitude to these clandestine traders to import into Great Britain sugar bearing the name of East India, but which, virtually, would be as much foreign as that coming from the Havannah or the Brazils. The true interests of the East India Company are directly opposed to the views of these speculative traders, and it would be prudent for its leaders to declare so in the first public discussion.

Chapter VI.

MONOPOLY NOT NECESSARILY CREATED BY PROTECTING DUTIES.

Monopoly is out of fashion, but protection and monopoly are not synonimous. It is quite possible for partiality to be shown, by discriminating duties, to certain commodities raised by British industry, without causing permanent enhancement in price. It is quite possible also for many adverse circumstances to prevent parties from practically enjoying the full extent of that benefit which the legislature intended substantially to confer on them. Such is the case in regard to the West Indies.

The duty on East India sugar is 10*s*. higher than on that imported from the West Indies. The generality of writers, accordingly, have calculated 10*s*. per cwt. on the entire quantity consumed in this country, and asserted, in unqualified terms, that the West India sugar-growers enjoy a monopoly to the extent of a million and a half annually. This assertion is glaringly untrue; but notwithstanding its extravagance, it has attracted much attention with the public; it touched their interest, and lessened very much their estimation of the colonial trade. It was adverted to in an interesting debate on the sugar question in 1823, when the late Mr. Ricardo

and Mr. Huskisson entered into an explicit refutation. Both these statesmen agreed in a doctrine, previously advanced, that so long as British sugar is obliged to be exported to the Continent, the price of sugar generally in this country is governed by prices abroad, totally independent of any system of duties which the legislature may impose. This doctrine having been, in some degree, assented to by several West India writers, an attempt has been made of late to reduce their argument to this dilemma: Either protection is a benefit or it is not. If it be a benefit, then they thrive at the expense of other interests; the people of this country, already groaning under the burdens of taxation, pay a million and a half for their sugar more than it is worth. If it be not a benefit, then amazing ignorance is evinced in their seeking to continue inefficient regulations, which, though useless to themselves, inflict great injury on other interests of the empire. The dilemma is a dangerous weapon, especially when used by reasoners not over burdened with logical acuteness.

The West Indians may retort thus: Our protecting duty is designed to compensate for restrictions imposed upon our production. Either these restrictions benefit other interests of the empire, or they do not. If the affirmative, then surely it is just that, having served others, we should be benefited in return. If the negative, then let these restrictions, in the first instance, be removed, since

it would be preposterous to seek the removal of consequences, without removing causes by which they are occasioned.

In point of fact, the West Indians do derive great advantage from their protecting duty, but it is of a negative description. The reasoning, therefore, of Mr. Ricardo and the abstract economists may be pronounced partly true, partly false, on the whole superficial. It is true, that the price of sugar is not permanently enhanced by the protecting duty. It is false, that the removal of protection would not injure the West Indian planter. The reasoning is superficial, in considering the protecting duty in a single, detached point of view, and not attending to its effects in influencing the extent of sugar production generally.

It is the object of this chapter to elucidate this subject; and we shall commence by recapitulating the manner in which the price of sugar is alleged to be regulated.

The quantity of sugar annually imported into Great Britain from her colonies, it is well known, greatly exceeds her consumption; a large export has consequently to take place to the Continent, no matter what price is likely to be obtained. Foreign countries, in which sugar is grown, are the *governing* places of production; that is to say, cultivators there have the option of contracting or extending their business indefinitely: they may abate their efforts in the slave-trade, or they may

smuggle slaves in any quantities; and so long as they are satisfied with their profits of stock, sugar-growers, in all parts of the world, are obliged to sell at the same prices.

In commodities in general, shipments are made from England to the Continent in consideration of prices there being higher than at home; if such be not the case, the commodity is retained on hand, if it cannot, in the mean time, be sold at a fair profit, in expectation of a shorter supply coming forward the next year, and the market taking a favourable change.

But it would be quite useless to hold over sugar in expectation of a more favourable state of things; from time immemorial, the supply has greatly exceeded the home consumption, and heavy capitals are invested in its cultivation, which cannot be withdrawn without enormous sacrifice. Shipments must take place to the Continent, where it necessarily sells at the same price as sugar from other quarters, be that price high or low. There cannot be two prices for the same article in this country at the same time; and the merchant who retains sugar in England for domestic consumption must, in all ordinary cases, sell it at precisely the same price as the exporter obtains for what he has sent to the Continent. Were the home-merchant to demand higher prices, the exporter would not purchase dearly to sell cheaply; he would decline purchasing altogether; and so far the force of opinion in the home market

might keep up prices for a portion of the year; but the accumulation of sugar would still be going on by sure degrees; eventually, the surplus must come into the market for export, and then it is maintained that prices must fall to the level of those of the Continent. The leading markets of Europe, therefore, are the regulating markets; no protecting duties exist there on sugar, no matter from whence imported, and one and the same price must be obtained on all sugars imported, making proper allowance for difference in quality, totally independent of their relative cost of production.

It is true, that exports of sugar from this country to the Continent are principally in a refined state, but that can make no difference in the result. Jamaica sugar, refined in England, must sell at the same price on the Continent as Brazil or Havannah sugar, in proportion to the quality or degree to which it may have been refined; and the refiner for home consumption, after deducting the duty, must sell at the same price as the refiner engaged in the export trade. Were there any difference between them, the profits of stock would be unequal; a state of things which must rectify itself, and be of short duration.

It is even contended, that the export of sugar from England, notwithstanding its extent, has no influence whatever in governing the prices abroad, so active being the prosecution of the slave-trade, as to compensate, in a very short time,

for any deficiency of quantity that might be looked for from hence. The quantity exported now is 600,000 cwt. less than a few years back, yet prices on the Continent have fallen; this great deficiency, equal to the consumption of many states on the Continent, has been exceeded by more extensive importations from other quarters.

According to this theory, it is boldly pronounced, that protecting duty cannot be serviceable. The Brazilian planter sells his sugar in Germany for 10*l.* a cask. That price he is willing to take. The British planter, in the same market, also realizes 10*l.*: just the same amount all planters obtain in England. Since, therefore, they receive this sum, and no more, what signifies what duty they pay? To increase or diminish it, may alter the figures in their account-sales, but 10*l.* will still go to them as their net proceeds.

This sweeping conclusion, that protecting duty is not beneficial to the West Indians, has occasioned the whole reasoning to be pronounced speculative, at variance with facts, and unworthy the attention of practical statesmen. But perhaps this may be going too far; and, at best, it seems a bad mode of refutation.

Reasoning may be either erroneous or imperfect. It is erroneous, when some mistake can be detected in the process of ratiocination. It is imperfect, when no such error directly appears, but when all the circumstances are not fully stated. These cir-

cumstances may, in a great variety of cases, be minute in themselves, and less obvious to the understanding; but when combined, their collective weight will more than counterbalance some leading and more palpable argument, which alone strikes the attention of the casual inquirer. False conclusions arise in both instances, equally fatal to the good government and welfare of mankind; but, in reality, those resulting from imperfection, are by far the most frequent, and are much more to be guarded against than those occasioned by gross error in reasoning, since they are most difficult to be corrected. Many men may feel reasonable confidence, that, on certain subjects, no error exists in their argument, so far as it goes; but he, though even foremost in the ranks of knowledge, must indeed be presumptuous, who could assert that he had completely compassed an intricate commercial subject in all its bearings and modifications.

It will not be necessary, therefore, for our purpose to dispute certain corollaries in the reasoning advanced; it will be sufficient to show that that reasoning is imperfect.

If 300,000 tons of sugar be produced at present for the consumption of Europe, it is evident that those individuals now engaged in its production must be greatly injured, if the quantity produced be increased one-fourth. What are the preventive causes, let us consider, that restrain this increase? It cannot be said that positive limits are prescribed to produc-

tion. The moment that a rise of price or increase of demand takes place, an immediate stimulus is given to producers, and, in by far the greater variety of instances, so active is the competition, that a glut generally ensues. But rise of price or increase of demand are not the only causes which stimulate production. Convenience of market, facilities of credit, any circumstance, in short, which holds out prospective advantage, will accomplish the same thing. All capitalists are on the alert to seize every opening which presents itself for a profitable employment of stock; and if a change be made in our commercial policy, laying open territories for sugar cultivation, which, according to the *opinions* of mercantile men, ought to yield large profits, they will embark in that trade. The comparative high cost of raising sugar in British colonies, the low price in foreign countries, supply the data on which that opinion is founded. According to the nature of things, commercial men would conclude that a large profit should be obtained in the latter, and if no preventive regulations existed, and every thing was left free to their option, they would cultivate sugar there rather than in the British colonies. The chief value, therefore, of the protecting duty to the West Indians at present, consists in its preventing this increased cultivation. England has the reputation of being the best market for foreign produce of almost every description. From the extent of her domestic consumption, sales can be effected at any

time; the risk of bad debts is smaller; and accommodations of credit, and all those conveniences which a foreign producer is likely to require, can there be best procured. Great as has been the increase of importations into the Continent, still, for want of these accommodations which England could supply, some limits have been set to the growth of sugar in foreign countries.

All the slaves imported from Africa into the Brazils, and other places, have not been placed on sugar plantations. Many have been employed in raising cotton. Several impediments in making sales and procuring remittances, taken in conjunction with the lowness of price, have prevented the Brazilian planter from cultivating sugar to one-third of the extent which he had the means of doing. But throw open the English market to him, a market equal to any four nations of Europe, where he is certain of procuring every accommodation he requires, and can any person for a moment doubt that all his energies would be immediately directed to the cultivation of sugar? At present, the general supply of sugar from all parts is fully equal to, perhaps greater than, the general consumption of the world. If a prodigious stimulus be given by the richest European country to that territory possessing the greatest capabilities for production, excess of supply over consumption would soon become so augmented as to occasion a general glut; and would not the consequence to the Bri-

tish planter be most disastrous? He can neither abandon nor change his cultivation, without being ruined. No wonder, therefore, that he dreads the removal of the protecting duties. No wonder that he treats with merited contempt those delusive representations, that, so long as there is an export to the Continent, there can be but one price for sugar.

This reasoning may be corroborated in a very striking manner, by referring to the case of the Mauritius. Prior to 1825, that island was considered part of the territories belonging to the East India Company. In that year, its produce was placed on the same footing as that of the West Indies. In the discussion which took place when the Bill was introduced for that purpose, Mr. Huskisson stated, "that the West Indians were very wrong "in opposing the measure; that 10,000 hogsheads "at the utmost were annually imported from the "Mauritius; that that quantity could not be "increased; that it was precisely the same thing "whether it came to this country direct or went to "the Continent for sale, since the surplus quantity "which was the true evil of which the West Indians "had to complain, in either case remained precisely "the same."

These arguments prevailed at the time: let us now judge of their accuracy.

	Cwts.
The quantity imported in 1825, amounted to	93,723
1826	186,245

Recent communications describe still further activity to prevail in extending cultivation. Is it possible that this increased importation is not injurious to the West Indies? When, at the close of the season, supplies are stored over until the crop of the ensuing year comes in from the West Indies, which is one of the most beneficial operations performed by the merchant to society, is it no evil that all his arrangements are thwarted by the arrival of cargo after cargo from another quarter? Let the English market be opened, and the same proportionate increase of quantity be imported from Brazils and the Havannah as has taken place from the Mauritius, and, in a very short time, cultivation in most of the British colonies will be superseded.

The tendency of this reasoning, it may be said, leads to the same result as that of those who charge the West Indians with monopoly of a million and a half: in either case, the consumer sustains injury. In point of fact, it does no such thing. To prevent injurious speculation is one thing, to raise prices is another. It is possible for the utmost services to be rendered in respect to the former, without the slightest enhancement of price. In how many occurrences of life are we benefited, not by positive advantage, but by the prevention of evil?

To expose more effectually the absurd notion, that the full extent of the protecting duty goes into the pockets of the West Indians, let us institute a parallel with other classes of producers.

The scale of duties adopted last session of Parliament for the agriculturists, assumed 20*s.* a quarter on corn, as an equitable protecting duty. The quantity annually consumed in this country exceeds forty-two millions of quarters; according, therefore, to the argument maintained, that the entire amount of every protecting duty goes into the pockets of those for whose benefit it was levied, the agriculturists would rob their fellow subjects to the extent of forty millions sterling. But even those most vehemently opposed to this class, maintain that it is questionable, supposing the protecting duty of 20*s.* a quarter did not exist, if corn could be had greatly cheaper in this country than at present. It is true that it is produced very cheaply abroad, but before it can be shipped, it has, in the greatest variety of cases, to be conveyed through a long extent of country at great inconvenience and expense; the freight and charges of transportation further enhance its cost; and to the whole has to be added, the effect produced when a large market is opened, which always raises prices. It would follow from this, that as corn cannot be imported into England on terms much cheaper than those at which it is grown, the protecting duty is not serviceable to the agriculturists. But are the agriculturists satisfied with this reasoning? No, they demand protection on *principle*; they are not content to depend on dubious contingencies under the control of foreigners, and to surrender positive

regulations permanently acted upon by their own government. They view the excitement that would be produced on foreign countries by the opening of the English market, and they dread the overwhelming effects of unlimited importations. If, therefore, the opponents of the agriculturists affirm, that the protecting duty enhances not the price of corn beyond the fair cost of production, they could not consistently say, that that duty robs one class of British subjects for the benefit of another; it is a corrective regulation, designed to prevent speculation.

Again, in the case of the silk manufacturers, the protecting duty taken on the entire quantity consumed in this country, would exceed four millions sterling; the whole of which prodigious sum, in conformity to the views of those who denounce protecting duties, must be taken from the pockets of the silk consumers in this country. Now, in the debates which took place in the House of Commons on the silk duties, it was stated by Mr. Huskisson that needless alarm was entertained by the silk manufacturers against foreign competition; instances had occurred where British silks had been conveyed to the coast and imported as foreign; and, indeed, it was questionable if, in many branches of the manufacture, it could be afforded to be sold cheaper than it was produced in England. These arguments did not induce the manufacturers to forego their claims to protection: they, too, argued upon *principle;*

they stated the cost of their materials, of their dyes, and of their labour; they demanded and obtained on foreign importation a high duty, defending it, not on the ground of giving them enhancement of price, but because, on the abandonment of that duty, a vast stimulus would be given to production in France, certain predilections and the force of opinion leading the public to conclude that silks ought to be more cheaply fabricated there than in England.

Similar illustration, also, is presented in the case of linen. Repeated statements have been exhibited that in the better description of Irish linen, there is nothing to apprehend from German competition. But the producers of that article are not content to rely exclusively on this opinion, no matter with what confidence it may be put forth. They contend that circumstances may arise greatly to increase production in Germany; that the merest trifle in price, nay, that the most trivial incident of commercial convenience, may induce the London merchant to transfer his orders to Germany; that, though this incident be apparently insignificant, yet if it diminish profits already reduced to their lowest limit, it will supersede their manufacture. To prevent this consequence, the linen merchant demands protection on *principle*, not that he may reap immediate emolument, but that he may be guaranteed against the probability of loss.

To all these cases that of sugar is analogous. By

bringing together the various interests that are protected, and summing up the amount of their united protection, all of which is alleged to be taken from the pockets of their fellow-subjects—for be it observed, if there be robbery in one there must be robbery in all—we reduce the argument to an absurdity. It is absurd, because where there are so many plunderers, who are the plundered? Count over all the active producers, the agriculturists, the manufacturers of silk, woollens, and cotton, linen, hardware, every branch of British industry, and all enjoy advantages. Those who are not concerned in those branches, or who are not collaterally dependent upon them, cannot be a very numerous class: at all events, they could not annually pay the seventy millions which would barely cover the amount of those duties denominated "protecting." Indignation against detached interests must, at all times, become a little moderate when the reflection is made, that they who indulge it are themselves participators in the spoil. In viewing the entire amount, which is alleged to be taken from the pockets of the people, what a small proportion is attributable to the West India interests; not a fiftieth of the entire amount! If their protection is relatively smaller in amount than is the proportion of their income to the aggregate income of the empire, surely it is invidious to single them out as alone enjoying monopoly. But it is conceived, that it will now be seen that

protection is very different from monopoly. In point of fact, protecting duty, when levied on equitable principles, and adjusted properly to those circumstances and relations, controlled by the legislature for the general advantage of all its subjects, does not impose any needless tax upon the public, and transfer the proceeds of that tax to the individuals engaged in production. It is a corrective measure, operating prospectively, tending to check dangerous speculation, and preventing foreigners from supplanting British industry. No doubt, the agricultural and manufacturing interests which have been described, besides the negative advantage of being guarded from injury, derive, to a certain extent, positive assistance from their protecting duty, to enable them to conduct their business under the heavy taxation with which this country is burdened. But this positive assistance the West India colonists do not enjoy, although it was intended to be substantially given to them by the legislature. In place, therefore, of their being invidiously taunted with possessing unreasonable monopoly, they have fair claims to specific assistance from the legislature, in order that they may be placed on the same footing as other classes of their fellow-subjects.

Were a protecting duty on West India produce made a positive benefit to parties concerned in its production, still it would hardly occasion expense to

the public at large, for some reasons well deserving of attention.

For the sake of argument, let us view the consumer of sugar in this country in a detached light, and suppose him to stand selfishly by himself, unconnected by any of those ties which reciprocally bind all the subjects of the empire together; it is even then questionable if he would *permanently* buy his sugar better on an equalization of the foreign sugar duties: what he would gain in cheapness, he would lose by fluctuations in price. In illustrating the advantages of the colonial system, the regularity, the completeness of all the establishments to compass the end proposed in the most efficacious manner, were pointed out as forming very considerable advantages. Branches of mercantile firms reside in the colonies; and the security, the consciousness that neither war nor political change can involve loss of property, occasion very large capitals to be afloat beyond any thing witnessed in foreign countries. Now, when large capitals are employed, merchants look more for regular returns, adjusted to a reasonable and moderate rate of profit, than to the chance of obtaining large gain by some dashing speculation. Whatever sanguineness or indiscretion may be attributed to planters, (justly or unjustly, is of no importance in this inquiry,) extensive West India mercantile houses do not speculate; they

do not buy up the sugar in foreign places in the same manner as other monied men buy up cotton, tallow, and hemp, for the pure purpose of creating a monopoly in few hands; disarranging the proportion between supply and demand, and practising on the credulity of less substantial dealers, in order to obtain undue profit. And by whom is this undue profit defrayed? By the consumers. They bear the burden, together with many losses arising from failures, for which the recoil, producing cheapness after dearness, is but a poor compensation. If the system of protection given to colonial trade prevents the speculation which otherwise would exist, in case that justly denominated home trade were converted into foreign, it yields more permanent service to the consumer of sugar, than any exaction which his most extravagant ideas could ever have led him to believe he contributed to the West India planter. The manner in which trade is conducted with our West India colonies, and with foreign colonies, is as different as can well be conceived. In regard to the former, the consciousness that so many wealthy houses possess such experience, that they have fully compassed all channels of trade, direct and collateral, prevents either the casual exportation of British goods, or the importation of produce on pure speculation. The merchant not regularly engaged in this business, reasons with himself, that, if a favourable vent occurred, it must be

seized upon with superior promptness by persons better competent to judge than himself. Hence, casual consignments to the West Indies rarely occur, especially from London. But the case is widely different with Spanish America, generally, and those places likely to supply us with foreign sugar. Commission merchants are constantly on the alert with plausible descriptions of commercial advantages, obtainable only in their own peculiar market, to tempt unreflecting men to try their luck in adventure. From these accidental shipments, sometimes too small for the occasion, then infinitely too large, the supply can never be properly adjusted to the demand; a press for remittances comes upon the needy adventurer; sales must be made at any price; there cannot be two rates of value at the same time; the cautious trader is obliged equally to suffer with his improvident neighbour, and then succeed all those ruinous fluctuations of price which, sooner or later, entail their long train of evils upon the British public. There is no exaggeration in this picture; the mercantile world are now tolerably sobered, and have discovered, that dazzling pictures of rapid accumulation prove sometimes illusory.

To substantiate these conclusions, it may be useful to view the variations of price which occurred in a few leading articles of merchandise during the great speculative mania in 1825.

Cotton rose from 9*d.* to 1*s.* 6½*d.*, above 100 per

cent. Tobacco, $3\frac{1}{2}d.$ to $6d.$, nearly the same. Cinnamon and mace fluctuated 200 per cent. Indigo, 60 per cent. Tallow, 53 per cent.; but Sugar advanced only 20 per cent., part of which, undoubtedly, was occasioned by the state of the currency and of commercial credit. It thus incontestably appears, that wherever commerce is changed from a regular, systematic, and well-known channel, into one of which all the branches, modifications, and principles are less known, speculation immediately ensues, through which the community is a loser. Were we to select for a criterion one of the articles above enumerated, cotton for example, calculate the transitions in price solely attributable to speculation, and assume the same transitions to have taken place in sugar, which there is no legigimate reason to dispute, the sugar-consumer would have been a loser, in exchanging steadiness for fluctuation, even imagining that the maintenance of the former entailed upon him the full cost of the protecting duty.

Encouragement of speculation constitutes a chief objection to the recent innovations in our mercantile system. The sensitiveness betrayed by some of our leading ministers, when they attempted indignantly, in their places in Parliament, to repel the charge, has rather confirmed than altered the popular opinion. It might be well to attend to this fact, before changes in the sugar duties are attempted.

Chapter VII.

OF THE MEANS OF EXTENDING THE SUGAR TRADE GENERALLY OF GREAT BRITAIN.

Sect. I.—*Domestic Consumption.*

If there be one maxim of political economy more universal in its application than another, it is this: The wisest mode to extend commerce, is to augment the comforts of the people. When the entire of the labouring population is habituated to the extensive use of any article of extraneous growth, it is difficult to calculate the amount of its beneficial effects upon the community at large. Increase of manufactures and encouragement of shipping are far from being the whole of the advantages. View the domestic habits of the labourer, who participates in the enjoyment of any little luxury. He takes delight in the social circle of his connexions; the asperities and hardships of his lot are softened; and he seizes on every opportunity to use his utmost exertion, that he may compass comforts which extend the gratifications of his family. Prudence, care, and foresight, spring from this auspicious state of things. All men are more thrifty when they have acquired some property than when they have none; and on the same principle, in proportion as the condition of the labourer is raised, he husbands more closely his time, and permits no opportunity to slip in

which any earnings, however slight, can be realized. Increased demand for labour is commensurate with the increased consumption of labourers; and, indeed, if we contrast the prudence and domestic economy of labourers habituated to the use of many commodities, with the heedlessness, and frequently the debauchery and vice, of men not so habituated, and also attentively consider the manner in which this difference of manners influences production, we shall be apt to reverse the maxim of most political writers, and pronounce a high scale of wants in the labouring population to be a cause, not the consequence, of public prosperity. Well may that system be denominated oppressive, which unnecessarily checks those habits in their growth. But such does taxation on many commodities accomplish in England. Were this unavoidable, or were it calculated to increase the public revenue, little need be said, because we must yield to public exigencies; but when there are decisive grounds to show that the revenue is not so great at the present duty on sugar, as it would be were the duty reduced, it surely is unpardonable, and savours of infatuation, to continue it. On articles consumed exclusively by the affluent, heavy taxes may be levied occasionally; because with this class the influence of fashion may still induce the consumption to remain unaltered. Very different is the case with labourers. With them there is a limit in price; and if you impose exactions beyond that limit, you leave them

no option, and stop their consumption altogether. Sugar pays a tax of nearly one hundred per cent. on its cost; need we wonder at its present scanty consumption among the mass of the people. Were it brought within the means of all labourers, to how many purposes might it be applied in their domestic economy, and what a variety would it give them in their food! In many parts of the country, poor families are wholly debarred from its use, by which they are deprived of the resource of fruit in the autumn, and by which also the consumption of many articles of foreign growth with which sugar is necessary to be commingled, is lessened, to the great injury of commerce in general.

Facts best illustrate this subject, and it may be useful to examine the effects of progressive increase of duty upon the extent of the consumption.

	£.	s.	d.	
In 1779, the duty was	0	6	8	per cwt.
1781.....	0	11	8	
1787.....	0	12	4	
1791.....	0	15	0	
1797.....	0	17	6	
1799.....	1	0	0	
1803.....	1	4	0	
1804.....	1	6	6	
1806 to 1819.....	1	10	0	The Lords of the Treasury were empowered to remit 8*s.* per cwt., when the Gazette average price was below 47*s.* per cwt.
1826.....	1	7	0	

All these augmentations of duty, at the time they were enacted, were considered as temporary or as WAR duties. They did not form part of

the Consolidated Customs Act, but rested on Bills annually passed in Parliament. The preamble to the different acts imposing increase of duty, is as follows:

"We, your Majesty's most dutiful and loyal "subjects, the Commons of the United Kingdom "of Great Britain and Ireland, in Parliament "assembled, towards raising the supplies to defray "the expenses of the just and necessary war in "which your Majesty is engaged, have freely and "voluntarily resolved to give and grant to your "Majesty the several additional duties hereinafter "mentioned."

Since the peace, all these temporary duties on other commodities have expired; but the war duty is still continued on sugar, in express contradiction to declarations made at the time when that duty was imposed. The public finances have not been benefited by this breach of legislative faith.

The home consumption was in 1795....	2,002,383 cwt.
When an augmentation of duty took place in 1797, it was only.....	1,554,062
In 1802, the consumption was	2,473,795
1804, when a great increase of duty took place, it was reduced to....	2,144,370
1806, when another increase took place, it was.....	2,076,103

Indeed, a large or a small consumption of sugar depending entirely upon the labouring population, to whom moderate prices are so essential, it will

be found that, in every augmentation of duty, the consumption has sensibly diminished as the price has increased.

In 1801, the population of Great Britain and Ireland, allowing 4,400,000 for the latter country, was 15,200,000.

In 1827, supposing the same ratio of increase to have taken place since the census of 1821 as took place in the interval from 1811 to 1821, the population would amount to 24,050,000.

During the years 1800, 1801, and 1802, the average consumption of sugar, inclusive of Ireland, was 2,651,051 cwts. These three years have been selected to exhibit a fair annual average, commerce being, at that period, in rather an unsettled state.

In 1827, it was 3,340,922 cwts.

Had the consumption of sugar increased in the same proportion as the population, it ought to have amounted to 4,194,500 cwts.

Assuming that the comparative decrease of consumption is occasioned by the high duty, (and it would be difficult to find any other satisfactory reason,) a duty of 22*s.* a cwt. would have brought more into the public coffers than the extravagant duty of 27*s.* Could any circumstance be adduced in the whole range of taxation, so clearly evincing an impolitic tax? Besides the positive loss of revenue, let us imagine the quantity of manufactures that must have been produced to pay for that sugar, which ought to have been

consumed; the employment that must have been given to shipping; the ameliorating influence that would have been diffused both upon the industry and habits of the labouring population. All this has been checked while the revenue has diminished; and to compensate for the deficiency caused by this amazing ignorance of the principles of taxation, other imposts have been levied, again, in their turn, aggravating the pressure which weighs down the national energies, and which is the source of so many ruinous grievances.

Had taxation on sugar remained at a rate within the means of the people at large, there is every reason to conclude, that the consumption would have increased during the last thirty years in a greater ratio than the increase of population. Since 1801, the towns chiefly in Great Britain have flourished; and it is well known, that the consumption of foreign commodities is, at all times, much greater in a condensed than in a scattered agricultural population, where there is inconvenience in making purchases, and where the people are more habituated to consume commodities of home growth.

This statement, it is conceived, must clearly evince the expediency of lowering the sugar duties, not only as the wisest mode of extending the sugar trade, but of benefiting the public at large. It is well known, that reduction of taxation on articles consumed by the working classes has, in every recent instance, been attended with benefit to the

revenue. Coffee presents a striking example: in 1808, the quantity consumed in England amounted to 1,058,639lbs., upon which a duty of 2*s.* 2*d.* per lb. was paid, producing 119,581*l.* In 1809, the duty was reduced to 7*d.* per lb., which had the effect of increasing the consumption to 8,856,167lbs. yielding a revenue of 270,796*l.*, being more than double that produced by the high duty.

In 1819, the duty was increased to 1*s.*, that year the quantity consumed was 7,281,834lbs. In 1826, it was reduced again to 6*d.* per lb.; and in 1827, a year of great privation amongst all classes, the quantity entered for home consumption amounted to 14,980,800lbs., yielding the largest revenue which had ever yet been obtained on this article.

Is there any reason to apprehend a different result in regard to sugar?

Section II.

The Refineries.

For a very long period, Great Britain possessed a very extensive trade in the refining of sugar for exportation. The great capital embarked in this business enabled our refiners, notwithstanding the two freights and charges of shipment, largely to supply the Continent of Europe, and successfully to compete with rivals, who imported the raw produce direct from the place of its growth.

Of late years this trade has rapidly declined, as will appear by the statement of exports of the years 1818 and 1827.

Exported in 1818.

	Hogsheads.
Russia	22,000
Denmark and Baltic Ports	2,500
Prussia	2,800
Hamburgh	14,000
Bremen	2,400
Italy	15,000
Turkey	1,200
Malta and Mediterranean Islands	900
Holland and the Netherlands	4,500
British Settlements and other Ports	3,700
	69,000

Exported in 1827.

	Hogsheads.	
Hamburgh	17,000	lumps.
Ditto	104	bastards.
Bremen	2,500	lumps and loaves.
Italy and Mediterranean Ports	7,900	crushed sugars.
Ditto	235	double loaves.
Baltic	860	single refined.
Ditto	45	double ditto.
British Settlements and other Ports	3,300	single ditto.
Ditto	60	double ditto.
	32,004	

It is quite obvious, that so rapid a decline in a very extensive article of commerce, must have occasioned great distress amongst a large portion of the community. Very heavy capitals were

embarked by the refiners in their sugar works, all of which are now but partially employed. It is the natural feeling of men suffering under calamity to call out for every assistance which their fancy, rather than their judgment, suggests. Accordingly, the refiners have latterly imagined that if they had the privilege of refining from foreign as well as from British plantation sugar, they would be able, successfully, to compete with their Continental rivals. They have declared that while their capital, individually, is quadruple that of foreigners, the foreign refineries have increased while theirs have diminished, which they conceive can only be attributable to the greater latitude in the supply of all qualities of sugar, which the foreigner enjoys. This is a consideration, it is admitted, of the utmost importance; and before we go further, it is necessary to examine into its bearings and correctness.

Section III.

Of the state of the Sugar Trade on the Continent of Europe.

By far the largest proportion of the refined sugar which is exported from England, is consumed in Germany. We shall commence, therefore, by detailing the regulations enacted in its principal ports.

HANSE TOWNS.

Hamburgh imports annually about 75,000,000lbs. of sugar, which, by the extensive navigation of the Elbe, is sent into the interior of Germany as far as Saxony, Silesia, and even Bohemia.

The following statement distinguishes the places from whence imported, for 1827, in which year the importations were greater than usual.

	Boxes and Cases.	Casks.	Bags and Canisters.
Bahia	20,582	..	..
Rio	6,153	43	595
Santos	290	1	..
Pernambuca	1,539	1,252	..
Portugal	3,221	95	..
Havanna and Matanzas	49,617	582	..
St. Thomas and other W. I. Islands	..	600	..
North America	3,617	196	240
Great Britain, (the casks are principally refined sugar)	669	22,084	8,772
France	2,427	322	3,189
East Indies	..	..	16,000

85 Millions lbs.

A small impost of duty of $1\frac{1}{4}$ per cent. is exacted on these importations, which is payable ad valorem, according to the actual market price, without any regard to the quality of the article, the place from whence it comes, or the bottom of the vessel in which imported. On goods, in general, exported from Hamburgh, an export duty of $\frac{5}{12}$ per cent. is levied; but from that tax sugar refined in Hamburgh is exempted, which is expressly designed

to encourage this branch of trade. No impediments exist on the transit of goods into the interior, but it is necessary that the importer himself should be the exporter. If there be a sale, or if the property change hands, the town duty of 1¼ per cent. must be paid.

For a very long period, Hamburgh has possessed a very extensive trade in the refining of sugar for exportation; but of late years it has been rapidly declining. For a few years after the peace of 1815, the quantity annually refined amounted from 18 to 20,000 tons: within the last five or six years it has fallen off to 8 or 10,000 tons. The refineries numerically are extensive, amounting to upwards of 240; but of these fully 200 are of very little importance, being often idle, and employing, when at work, only a few hands.

The decrease in the refining trade of Hamburgh arises from restrictions and regulations established in the interior of Germany—in Hanover, Oldenburgh, Brunswick, and Hesse, as well as in the larger dominions of Prussia, Russia, and Austria. All these powers have sought to separate the trade of their provinces from that of the remainder of Germany; and with the view of exclusively benefiting their own subjects, they have impeded the free intercourse with the Hanse Towns which formerly existed. A considerable number of sugar refineries have in consequence been established within the territories of the above-named states,

all of which, especially those belonging to the principal powers, are specifically and powerfully protected by custom-laws or other fiscal regulations. In the smaller states, the impositions are less heavy; so that, in some degree, the wants of their population can still be supplied by the Hamburgh refiners.

In Germany, generally, very little raw sugar is consumed. For tea, candy-sugar is used, and for coffee, loaf-sugar. For the preparation of victuals, and other purposes, in place of raw sugar, the common people in the maritime districts of Germany use molasses, which enables the refiners to dispose of this article very advantageously, and which materially assists them in their business. In some parts, however, far in the interior, the consumption of molasses is more limited; and the refiners in the Prussian provinces situated on the banks of the Weser, are obliged to export a great part of their molasses to the Prussian ports on the Baltic, where they find a better sale.

The refiners of Hamburgh confine themselves exclusively to the manufacture of candy and loaf-sugar.

It is stated, that the refiners find it most for their interest to manufacture candy-sugar, as the production of this article requires a much shorter space of time than that of loaf-sugar. A very small profit is obtained, but this is compensated by the comparative quickness with which their capital is

turned, and by superior certainty and steadiness of price.

No lumps are manufactured, the refiners finding that here competition is greatest with the English manufacturers. The quantity of lumps annually imported from England, according to the statement previously given, is very considerable. They are not consumed in Hamburgh, but are sold to refiners in Prussia and other parts of the interior.

It also appears from the statement given, that the principal proportion of the imports of raw sugar into Hamburgh is from Cuba, the brown and yellow of which are preferred by their refiners; next to these, the brown and yellow of the Brazils are held most in repute. On the arrival of a few cargoes of Jamaica Muscovado sugar, which took place direct from that island shortly after the passing of the Colonial Intercourse Act by the British Parliament, they were eagerly purchased by the Hamburgh refiners in preference to other descriptions of sugar, which tends to disprove the fact asserted by some British refiners, that they labour under disadvantages by being restricted to British plantation sugar. The direct trade of the Hanse Towns with the British colonies has been greatly impeded by a recent interpretation given by the British government to the Colonial Intercourse Act, which, it is now alleged, does not permit vessels of the Hanse Towns to carry the produce of Germany generally to our Colonies.

The sugar trade of Bremen is analogous to that of Hamburgh. From its geographical situation, Bremen supplies the country on both sides of the Weser, and farther up into the interior of Germany. The average quantity of sugar annually imported amounts to about 11 or 12 millions lbs., from the following places :

Sugar imported into Bremen in 1827.

Havannah, boxes	23,798
Brazil, cases	2,805
Muscovadoes, St. Croix, St. Thomas, and Jamaica, casks	1,033
East India, bags	10,010
Great Britain, loaf and lump, casks	3,112

As at Hamburgh, there is a small town-duty on importations and exportations : formerly it was $\frac{1}{2}$ per cent. on imports, $\frac{1}{3}$ per cent. on exports ; but since the 1st January, 1828, the import-duty has been increased to $\frac{7}{12}$ per cent. ; the export-duty remains the same. All these duties are levied indiscriminately, without regard to the place of growth or the vessel in which the article is imported.

Goods on transit pay a very trifling duty, only about 2*d.* sterling on every 112 lbs. of goods of the first class, in which sugars both raw and refined, and all articles of foreign growth or manufacture, are included. Some productions, the growth or manufacture of Germany, pay only $\frac{1}{2}$, $\frac{1}{4}$, $\frac{1}{8}$, or $\frac{1}{24}$ part of this duty, in proportion to the comparative value

of the article. Goods are only considered on transit when imported with the intention of re-exporting them, and which have undergone no change of any description. If once sold, even for re-exportation, they are no longer considered as transit goods, and are subject to the same duties as commodities destined for local consumption.

The refineries in Bremen are ten in number, of which six or seven are of considerable extent. It is estimated, that about one-half the quantity of raw sugar annually imported is transformed into refined sugar. Of the sugar refined, two-thirds are manufactured into candy; the remaining third principally into single loaves, the proportion of double-refined being but trivial. No lumps are made; and the quantity imported from England is chiefly sent to the interior for the Prussian refineries. Three cargoes of Jamaica sugar, which were imported direct in 1826, were promptly purchased by the refiners, as being well suited to their purpose.

Like Hamburgh, the refining trade of this city has considerably diminished of late years, from the same cause, that of neighbouring German states exacting duties on importation, to protect the industry of their own subjects.

This detail of the sugar-trade of the Hanse Towns will, it is presumed, excite important reflections. In the first place, the large quantity of

British refined sugar exported to those ports is not intended for local consumption, but has to be re-shipped to other countries, who are exerting every expedient to encourage the manufactures of their own subjects. What avails, then, the free constitution of these German ports, about which so much has been said by our statesmen, as supplying a constant vent for the sale of British commodities? It is true, that the institutions of the Hanse Towns, on which their independence is founded, preclude the idea of their favouring one branch of commerce more than another, or of their ever opposing impediments to the importation of British goods. The same liberal principles by which their trade has been conducted for centuries past, will, no doubt, continue; but, unfortunately, that liberality can only benefit us in a very insignificant degree. Their united population does not extend beyond 160 or 170,000 inhabitants; and if all neighbouring states pursue a restrictive system of commerce, our exports to these free ports must soon decrease from their present magnitude to a scale proportioned to the limited number of consumers who are willing to take our goods.

Another misconception has to be noticed. Statements have been made, that the refiners on the continent, in consequence of having more descriptions of sugar to work upon, and being better able to adapt sorts to uses, possess great advantages over the British refiner, whose range in manufac-

ture is affirmed to be more limited. This assertion is positively erroneous, because the refining trade in Hamburgh and Bremen, the very places where there is the greatest variety of sugars imported from different quarters, and the places which are alleged by the English refiners to have supplanted them in their trade, has declined in a still greater proportion than the refining trade of Great Britain. The restrictive regulations of other countries are the true causes which have injured the trade both of England and of the Hanse Towns.

PRUSSIA.

Few West India colonists are aware, that the regulations of the sugar-trade in Prussia are more interesting to them than those of any other state on the continent of Europe. But this is strictly the case, not only from the large quantity of British plantation sugar, which is consumed within those dominions, but from the peculiar nature of the Prussian tariff.

Sugar in loaves pays a duty of 10 rix dollars, equal to about 30*s.* sterling, per 112lbs.

Ordinary raw Muscovado sugar, for cooking and other purposes of domestic consumption, 8 rix dollars, equal to 24*s.*

Raw sugar, *and whole or crushed lumps*, imported by owners of Prussian sugar works, only 4 rix dollars, or 12*s.*

From these duties, it is apparent, that foreign refined sugar in loaves is almost prohibited, which

gives the Prussian refiner the monopoly of the home market. The other parts of the tariff are very singular. Raw sugar imported for consumption, without undergoing any change or process of manufacture, pays double the duty of lump sugar intended to be re-manufactured into a finer description of loaf sugar. At this duty British lumps are admitted; and hence the cause of our large exports to Hamburgh and Bremen, from whence this description of manufactured sugar is conveyed to the Prussian refineries.

The following statement exhibits the increase of the refining trade for the last few years:

	Refined Sugar, in loaves.	Raw Sugars, for the Inland sugar-works.
	Cwts.	Cwts.
Imported in the year 1822	45,147	120,502
1823	33,646	188,823
1824	29,440	207,801
1825	34,661	265,035
1826	18,778	302,359

At present no drawback is allowed on exportation; but it is expected by those engaged in the trade, that regulations on this subject will shortly be established.

The reason why British lumps are admitted for the use of the refiners at the same duty as raw sugar, is, the difficulty which the Prussian refiners meet with in the sale of their molasses. But this operates chiefly in the interior; in the

ports of the Baltic there is a vent for this article; and it is not improbable that the Prussian government may devise measures to remedy the obstacle in the interior; and then regulations will be framed to throw the entire process of refining into the hands of its subjects, in place of their making, as at present, small loaves from the lumps imported from England.

Notwithstanding that Prussia, in her shipping, has benefited in a greater degree, perhaps, than any other nation, by the alterations in our navigation laws, she seems little disposed, in her commercial code, to follow the example of our liberality. The navigation of the Rhine, for a very long period, has supplied our most extensive means of communication with the interior of Germany. In the Prussian provinces, immediately adjacent to that river, there are twenty extensive refineries; and it is generally estimated that the quantity of sugar annually refined in this quarter exceeds that of North Prussia. We ought, consequently, to send fully as large a quantity of lumps up the Rhine, as we now ship to Hamburgh and Bremen. But impediments have recently been interposed which are likely to exterminate our commerce in that quarter.

By a convention between Holland and Prussia, in November, 1827, it is agreed, that the navigation of the Rhine shall be only open to vessels built upon that river, and navigated by the subjects of powers having dominions upon

its banks. By another article, it is agreed, that the transit duty on sugar refined shall be increased to 2 florins and 11¾ cents per 100 kilogrammes net weight, allowing 15 per cent. for tare; and on raw sugar, 1 florin and 68¾ cents, allowing 20 per cent. for tare. Besides these general regulations, other impediments exist on the part of the different Rhenish potentates, which tend effectually to close all exports to this quarter; of which we may judge from an undoubted fact recently transpired, that shipments to places in Germany, almost situated on the Rhine, have latterly been made by way of Bremen.

It has been said that Prussia has been obliged to accede to the terms of Holland, and that she is herself a sufferer by the exactions imposed on the navigation, which hitherto had been open to all nations. True, all nations are sufferers in a certain degree, who are obliged to purchase on dearer terms than they ought to purchase: but it ought to be recollected, that it is the *seller*—it is Great Britain, who is the chief sufferer, in being totally precluded from supplying her former customers with her merchandize.

RUSSIA.

Formerly, this empire presented a large outlet for our exportations of refined sugar. The quantity exported in 1818, amounted to 22,000 hhds., but owing to the regulations established in the year 1824, the trade has ceased.

By the imperial ukase, regulating the duties,

Sugar, brown, yellow or white, pays per poud	2 rubles 50 copecs
—— refined, in lumps or loaves, or sugar-candy	prohibited.

The Russian poud is equal to 36lbs. English; the ruble of account is equal to about 10½*d.* sterling; 100 copecs make one ruble.

Importation is only permitted by sea: whether by land, or by river navigation, the importation of all descriptions of sugar is prohibited. A remission of 50 copecs is made on importations into Archangel.

DENMARK.

The favourable situation of the Danish ports for supplying the north of Europe, under a system of free commerce, presents a very advantageous outlet for British goods. Formerly, several thousand hogsheads of refined sugar were annually exported to this quarter; but, as in all the continental governments, the restrictive system now prevails.

By the present custom duties,

		rixd. skilling.
Sugar, brown, of the Danish colonies, pays per quintal		1 74
——, of foreign countries	white	3 62
	brown	2 33
——, refined		prohibited.

The rix-dollar is equal to 4*s.* 6*d.* sterling ; 96 skillings make one rix-dollar. The quintal contains 100lbs. ; the Danish and the English pound are nearly alike.

On sugar imported for exportation, a transit duty is levied, on white or brown sugar, of 1 per cent., according to value; on refined, 2 per cent.

HOLLAND.

By means of the Rhine, Holland and the Netherlands supply the south-western parts of Germany and also Switzerland with sugar.

The Dutch have ever been disposed to protect the industry of their own subjects; and accordingly, all exports of refined sugar to this kingdom have entirely ceased, the duty exacted amounting to a virtual prohibition.

Sugar, brown, imported in Dutch vessels, pays a duty of	f.	0 50	the 100lbs.
—— in foreign vessels		1 20	
——, refined		36 00	

104lbs. Dutch are about equal to 112lbs. English.

Refined sugar, also, passing through the Dutch

dominions, pays a transit duty of 2 florins per 100 lbs.

The obstruction in the navigation of the Rhine has chiefly originated with the Netherlands. Ever since the treaty of Vienna, the government of that country has been growing in its demands on this point, which all the remonstrances of the other sovereigns of Europe, interested in the question, have not been able to check. The Dutch government assert their absolute sovereign right in regard to all regulations relating to the navigation of the Rhine in their maritime provinces, on the ground that their territories extend on both sides of its banks. This claim, undoubtedly, is not only in opposition to immemorial usage, but it is expressly contrary to the treaty of Vienna. The Duke of Wellington, at the Congress of Verona, in 1822, addressed a note to the Ministers of the Allied Powers, containing these words: "The navigation of that river (the Rhine) ought to be entirely free, from the point at which it becomes navigable, to its mouth. The government of the Netherlands have thought proper to close the mouth of the river against the commerce of the world," &c.

It can hardly be apprehended that this great obstruction will be passively permitted to continue. But, in the mean time, it is necessary to state, that by the convention concerted between Holland and Prussia, the former stipulates for a separate exaction on sugar passing up the Rhine, of 90 cents

per 50 kilogrammes on refined, 67½ cents per 50 kilogrammes on raw sugar. The result is, that the Netherlands now supply all the Prussian sugar works at Wesel and other places on the Rhine; and by canals or land conveyance, they also supply Strasburg, Cassel, Minden, and all the southern parts of Germany, as well as a large portion of Switzerland. We can judge of this vast increase of commerce by contrasting the imports of Havannah sugar into Antwerp in the year 1824 with those of 1827:

1824.....25,444 chests.
1827.....56,175 ..

AUSTRIA.

Immediately after the peace of 1815, great anxiety was manifested by the Austrian government to advance the port of Trieste, and make it rival the commercial renown of Venice. In consequence, extensive trade for some little time was conducted with England, by means of which we procured a sale for considerable quantities of refined sugar. But the Austrian government soon imitated the example of other governments, and with the view of encouraging their own refiners, interposed restrictions to check the importations of foreign refined sugar. Trieste continued a free port, but there is no sugar refinery of consequence in that place; foreign refined sugars may be consumed, duty free.

In all other parts of the Austrian dominions, by the tariff of October, 1824, the duty on

Refined sugar, in loaves, was advanced from	15	to	$16\frac{1}{2}$	florins per quintal.
Crushed sugar, or lumps	$11\frac{7}{10}$	.	$16\frac{1}{2}$	..
Powder sugar for grocers	9	.	12	..
White sugar for refiners	6	.	8	..
Yellow or brown, ditto	3	.	4	..

The present rate of exchange is $9\frac{4}{5}$f. to the 1*l.* sterling, making the florin equal to 2*s.* or 2*s.* 1*d.* sterling. The quintal contains 100 lbs. Austrian weight, which is equal to 123 lbs. English.

The refinery nearest to Trieste is at Görz, about twenty-five English miles distant; this is the largest refinery in Austria. There is one at Wiener Neustadt, about forty miles from the capital; and there are eight refineries in the suburbs of Vienna. All these are supplied with raw sugars from Trieste. There are two refineries of some note at Prague, which work about 1,200,000 lbs. raw sugar, Vienna weight, per annum, and are chiefly supplied from Hamburgh.

White or grey sugars only are permitted to be used by the refiners. Crushed sugar was formerly admitted, at a duty comparatively low; the alteration was occasioned at the instance of the refiners, who were anxious to have the entire refining trade in their own hands.

The crushed sugars, which are now exported from England, do not pay the high duty of $16\frac{1}{2}$ florins, which they ought to pay according to the

tariff; they are admitted, by collusion of the importers, as powder sugars, at 12 florins.

Regulations have recently been introduced in Milan, and in the Austrian territories in Italy generally, to stop the use of this crushed sugar, and they are expected to be enforced in Trieste.

By levying a much higher duty relatively on refined goods, imports have latterly changed their character. Raw sugar is imported in place of refined, and as the former can be supplied on cheaper terms from foreign countries than from British settlements, we may shortly expect our trade in this article to be, as in other places, entirely superseded. At present, it is greatly reduced, as will appear from the annexed statement:

Total quantity of Sugar delivered from the warehouses at Trieste, in the six years, following,	Of which, Foreign refined,
1822.. 20,594,000 Vienna lbs.	7,572,000lbs. Vienna weight.
1823.. 20,475,000	5,210,000
1824.. 24,559,000	5,330,000
1825.. 20,709,000	4,585,000
1826.. 26,394,000	4,202,000.
1827.. 30,530,000	4,745,000

During 1826 and 1827, French refined sugars were imported into Trieste from Marseilles, which may be estimated at about one-third the total delivery of foreign refined sugars in those years; therefore, the decrease in the consumption of English refined sugar is still greater than would appear from the above statement.

SARDINIA.

This is the only other state in the Mediterranean of sufficient importance, to require notice on this subject.

According to the present tariff,

Muscovado sugar pays a duty of.....	25	livres the quintal.
Clayed sugar.....	45	.. ..
Refined, crushed or powdered.....	60	.. ..
Refined in loaves and candy.....	100	.. ..

On sugar passing through the Sardinian territories, a transit duty of 1 livre the 100 lbs. on Muscovado, and 2 livres on refined sugar, is imposed. Here, also, we perceive the duty on refined sugar quite disproportionate to that exacted on Muscovado; and, in consequence, the British trade has, within a few years, decreased full one-half.

A detail has now been given of the various regulations of foreign countries, with whom Great Britain formerly carried on an extensive trade in sugar, and which trade should still exist under a fair system of commercial reciprocity. But before concluding this subject, it may be proper to state the regulations which exist in

FRANCE.

The rapid progress which this kingdom is making in every branch of industry, and doubtless, also, the pre-eminent talent which presides over her department of trade, make her commercial regulations, at all times, a fit subject of meditation for the British statesman.

The following is the tariff of sugar duties :

FRENCH TARIFF OF SUGAR DUIES.

				Per French ship. f.	Per French ship. c.	Per foreign ship. f.	Per foreign ship. c.
Sugar	From the French Colonies	Muscovado	From beyond the Cape of Good Hope	37	50	.....	
			From within the Cape of Good Hope	45	00		
		Clayed	From beyond the Cape of Good Hope	60	00		
			From within the Cape of Good Hope	70	00		
	Foreign	Muscovado, not white	From India, From French establishments	85	00	110	00
			From India, From Foreign countries	90	00		
			From places out of Europe	95	00		
			From entrepôts, or European ports	105	00		
		Clayed, or white, without distinction of quality	From India. From French establishments	00	00	.....	
			From India. From foreign countries	105	00	130	00
			From places out of Europe	115	00		
			From entrepôts or European ports	125	00		

per 100 Kilogrammes.

Refined ..... prohibited.

Molasses ..... From French Colonies ..... 16 00 .....

Foreign ..... prohibited.

The decime or 10 per cent. has to be added to these duties.

This table appears peculiarly comprehensive and complete. Like the commercial system of Great Britain, the colonial trade is restricted to French shipping. Like our system, also, different duties are exacted, but with minuteness of detail superior to ours. There is one scale for colonies identified with the mother country as French. A second scale of duties exists for French factories in India; and it being presumed that all possessions in America are colonies or dependencies of European powers, a higher duty is exacted on their produce than on produce imported from foreign countries in the east. Sugar imported from entrepôts, for example, either British plantation or foreign sugar exported from England, pays the highest duty, which amounts virtually to prohibition. Throughout, the difference is made between clayed and raw sugar; and, to complete the restrictions, refined sugar is prohibited.

In France, accommodations of credit are granted by the government in payment of duties, which compensates for deficiency of capital, and gives great facilities for the refining of sugar for export.

By an official ordinance of May, 1820, six months credit is allowed for payment of the sugar duties: the amount must exceed 600 francs, and the collector of customs is empowered to demand one or more sufficient securities for punctual payment. At present the importation duties are paid in bills, accepted or guaranteed bonds at four months

without discount, on payment of the receiver's dues of one-half per cent.

On the exportation of refined sugar, a bounty is allowed. A brief outline of the regulations relating to it, which have been enacted since the peace, merit careful attention.

By the laws dated 27th March, 1817, and 7th June, 1820, these bounties were thus fixed:

110 francs for every 100 kilogrammes, net weight, of refined sugar in loaves, weighing 6 kilogrammes or under.

80 francs for every 100 kilogrammes, for the same sugar in loaves, weighing upwards of 6 kilogrammes, and for candy.

In case the French colonies had been equal to supply the entire demand in France, these drawbacks would have given a large practical bounty to the exporters of refined sugar.

For a few years subsequent to the peace, the export was comparatively insignificant. But it was not long before the attention of the French government was drawn to this valuable branch of commerce.

The refiners for export not being able to conduct their business to the extent they desired, on account of the scale of drawbacks just stated, which did not permit them profitably to use foreign sugar in the process of their manufacture, an alteration in the law took place.

Article Six of the law of the 27th July, 1822,

enacts, that the drawback on exportation shall consist of a reimbursement for duties actually paid on sugars imported from foreign countries by French ships, which the refiners will justify by receipts of the payment which they, themselves, have made to the collector of the customs.

Several conditions were prescribed to be observed before these drawbacks could be allowed. 1st. That the sugar be sent direct from French manufactories to foreign countries. 2d. That it be accompanied with certificates of origin, stating the place of growth of the sugar ; which certificates were to be delivered by the manufacturer, and confirmed by the mayor of the town in which he resides. 3d. That before these certificates can be admitted by the collector of the customs, they must pass the *special jury* appointed in a number of named ports, who are to testify the correctness of the claims of the manufacturer. The other sections regulate the weight of the paper and string, with some minor points of detail.

Besides the drawback on the sugar, on the exportation of the molasses or refuse in the process of manufacture, a drawback was also allowed. By the law of the 7th June, 1820, this drawback is 12 francs on every 100 kilogrammes of molasses. It is enacted, that these molasses shall be sent *direct* by the manufacturer to the foreign country. It is necessary that the molasses be of a certain consistency, the means of ascertaining which by the areometer

of Baume, is minutely described in the ordinance. The special jury has here also to certify to the collector of customs the correctness of the manufacturer's demand.

This drawback on molasses has been of great assistance to the French refiners.

Sugar imported from entrepôts or places in Europe came not within the law of the 27th July, 1822. The foreign sugar which was principally used by the refiners was fine Havannah, which paid a duty on importation of 95 francs per kilogramme.

It appears from the regulations, that the refiners were obliged to export in a refined state the identical foreign sugar which they had used in the process of manufacture, and were not at liberty to export an equivalent or a corresponding quantity of any other description of sugar.

In respect to the refuse or molasses, the bounty granted upon its export prevented it from entering into the home consumption.

Under these laws, the refining trade of France soon extended itself; in the year 1825, the export doubled that of the preceding year, and the French government, perceiving the valuable branch of commerce which they were acquiring, made sedulous efforts to increase it.

The rapid rise and increasing prosperity of the French colonies, under judicious government, soon removed the necessity for permitting foreign sugar

to be refined, and accordingly the law has been entirely remodelled.

The English bounty of 3*s.* per cwt. on refined sugar exported, terminated on the 1st July, 1826. A short time previous to its cessation, both the Chancellor of the Exchequer and Mr. Huskisson took occasion to expatiate on its general impolicy, its antiquated character, so totally at variance with the views on which the commerce of modern times should be regulated. These expositions were closely canvassed in France, and became the subject of deep meditation. The French government promptly and efficaciously took up what we abandoned; and within two months after the exposition of the policy intended to be pursued by the British minister, they INCREASED the BOUNTY on the exportation of refined sugar.

By the ordinance of the 17th May, 1826, the drawback was increased from 110, which was the old standard regulation, to 120 francs on every 100 kilogrammes of refined sugar, in loaves weighing 7 kilogrammes, or under, and from 80 to 100 francs on every 100 kilogrammes, when in loaves weighing more than 7 kilogrammes. In order to extend the application of the high bounty, one kilogramme was added to the weight of the loaves above the former regulation, and candy was now included in the first scale, while before it was classed in the second.

These drawbacks are allowed, no matter what duties are paid on importation; and they are paid in cash, $1\frac{1}{2}$ month or 2 months after the exportation*.

The subjoined statement exhibits the amount of the drawbacks on the exportation of refined sugar and of molasses, for the years stated:

	1824	1825	1826	
Refined Sugar. .	2,622,403. . . .	4,203,746. . . .	4,738,886	francs.
Molasses.	390,301. . . .	568,573. . . .	532,725	

Vide *Bulletin des Sciences Géographiques*, Jan. 1828. Paris.

The total amount of the drawbacks paid on the exportation of all descriptions of French goods in 1826, amounted to 9,437,223 francs, by which it

* The annexed is an extract from the original ordinance:

Au Chateau des Tuileries, le 17 Mai, 1826.

IMPORTATIONS.

Sucre de toutes les Colonies. . . . Droits actuels.

Mélasse de toutes les Colonies { 12 francs per 100 kil. (the former duty was 16 francs.)

EXPORTATIONS.

Les droits perçus sur les sucres bruts et terrés, quelle qu'en soit l'origine, seront compensés à l'exportation des sucres raffinés et candis, à raison de 120 francs par cent kilogrammes de sucre raffiné exporté en pains de sept kilogrammes au plus, ou de sucre candi; et de 100 francs par cent kilogrammes de sucre raffiné exporté en pains de sept kilogrammes; et ce, sans qu'il soit nécessaire de représenter les quittances des droits acquittés.

Les sucres raffinés exportés pour les colonies Françaises jouiront desdites primes, aussi bien que ceux expédiés pour l'étranger.

appears, that the payment made on account of sugar alone, more than equalled all the rest united.

To show the large amount of the *practical bounty* enjoyed by the French refiner, that is to say, the sum actually given to him over and above the duties paid on importation, it is only necessary to refer to the drawback allowed in England.

British plantation muscovado sugar pays an import duty of 27*s.*, and draws back 41*s.* $4\frac{8}{10}$*d.*, when refined and exported.

French colonial sugar pays, in France, 37 francs per 100 kilogrammes on one description of colonial sugar, 45 francs on another, and draws back 120, no matter whether the sugar is double or single refined, provided that the loaves do not weigh more than 7 kilogrammes. Assuming that the English computation is pretty accurate, and that the drawback given on the exportation of sugar in a refined state, is a fair repayment of duties paid on the raw article, French sugar which pays 45 francs per kilogramme, the description most used by the French refiners, should draw back, making allowance for the decime added to the duty, only about 81 francs 13 cents. A bonus is thus given to the refiner of nearly 39 francs per 100 kilogrammes, equal to more than 16*s.* 3*d.* sterling per cwt.

With such advantages, it is not surprising that the French refiners should have supplanted the British in many markets of the continent, which, in times past, exclusively depended upon England.

The subjoined table exhibits the progressive increase of the sugar trade of France; evincing a prosperity without parallel in the whole range of colonial history.

Years.	QUANTITY OF SUGAR. Muscovado imported for consumption. Kilogrammes.	Refined exported from France. Kilogrammes.
1815	16,909,120	12,000
1816	24,590,075	61,039
1817	36,536,861	5,827
1818	36,019,119	33,229
1819	39,761,343	209,833
1820	48,696,751	364,178
1821	46,439,827	1,654,741
1822	55,481,004	1,961,207
1823	41,542,856	512,501
1824	62,031,122	1,502,744
1825	56,080,506	3,067,157
1826	71,463,916	3,320,785*

The returns for 1827, judging from importations stated in French prices current, will exhibit a still further increase.

After this full detail of the state of the continental sugar trade, few will hesitate to decide upon the true causes which have occasioned the decline of the British refineries. The absurd notion that being restricted to British plantation sugar obstructs the business of the English refiner, or, indeed, enters the question at all, in respect to his competition with rivals abroad, has, we presume, been effectually refuted. In reality, the British refiners

* From official returns communicated by M. César Moreau.

enjoy greater latitude in the variety of sugar suited to their purposes than any of the continental refiners, which is occasioned by the diversified modes of cultivation and manufacture prevailing in the British settlements, some of which, originally, were French, some Spanish and Dutch. But what avails this latitude against the difficulties opposed to them? In the whole continent of Europe, from north to south; in countries possessing colonies, and in those which have none; we find a determined systematic combination against British industry.

Any regulations which are framed by the British government must have constantly in view the exact bearing and nature of these restrictions existing on the continent. It is high time for the silly vapouring, about British skill and enterprise requiring only free room for exertion to display its superiority, to be abandoned. There is just as much enterprise and skill on the continent as in England, and no deficiency of capital ever appears there, when a suitable occasion presents itself for investment. The abrupt abolition of the English bounty on the exportation of refined sugar, gave a vast excitement to this branch of trade abroad. It is not assuming too much to affirm, that its consequences were entirely misunderstood at the time; and it is probable, that even yet, in several points of view, they are not correctly appreciated.

Section IV.

Of Bounties on the Exportation of Refined Sugar.

In 1825, the year preceding that on which the bounty of 3*s*. per hundred weight on the exportation of refined sugar terminated, the entire drawback paid by the customs amounted to 777,634*l*. 6*s*. 11$\frac{3}{4}$*d*. Of this sum, 77,763*l*. was on account of the bounty, the remaining 699,871*l*. being the drawback of duties actually paid. Notwithstanding the loud clamour which was raised against this bounty, the small sum stated was all the charge to which the nation was subject. It was, indeed, contended by several writers, that the practical benefit derived by the West Indian proprietors from the bounty, was of far greater extent than the sum paid by government—that the allowance of 3*s*. a cwt. on exportation of sugar, enabled the exporter, for example, to realise 36*s*. per cwt. on the continent of Europe, when the price there was only 33*s*., and thus our refiners could sustain competition with their continental rivals. In regard to our home market, it was affirmed, too, that, since the price of sugar on the continent regulates prices in England, any regulation which enabled the refiners to sell their sugar on better terms on the continent, enhanced, in a corresponding degree, prices to consumers in England.

The account, therefore, these writers maintained, should stand thus:

Bounty paid to colonial proprietors by government . .	£77,763
Bounty paid by the people of England on the quantity consumed by them, 3,400,000 cwts. at 3*s.* per cwt. . .	510,000
	587,763

This reasoning was several times repeated with much minuteness in Parliament; and previous to the abolition of the bounty, it passed as conclusive with the great majority of all parties. Notwithstanding this authority, however, the whole argument, in the manner in which it was urged, may be pronounced to be very erroneous.

When we speak of enhancement of price benefitting particular parties at the expense of the consumers at large, it is always implied that the enhancement proceeds from unreasonable profits and causes out of the usual course of things. When the channels of commerce are open, and left to their natural operation, we never attempt to complain of occasional advances in the price of merchandise in general. Before, therefore, we affirm, that the price of sugar is enhanced to consumers in England, by any adventitious regulation, it is necessary to show that it is above its proper and natural rate; that it is above that price at which sugar would sell on the continent of Europe generally, if all the continental markets were open, in precisely that manner which the censurers of the bounty maintain should be

regarded as the natural course of things. If the price of sugar in England, aided by the bounty, be not above the average price on the continent, supposing trade free and unrestricted, it is quite erroneous to affirm that that bounty operates at all to the injury of the British consumer. Now it is easy to demonstrate, that it is not higher, but that, in consequence of restrictions imposed by the continental states, it is depressed below its natural rate, below that rate at which it would sell if commerce were free and unrestricted. Any measure, accordingly, adopted by the British Government, is entirely remedial, and is on the true principle of the reciprocity system, of meeting foreigners with regulations similar to those which they themselves impose.

To make this subject more clear, let us imagine that Great Britain exported annually 50,000 hhds. of sugar, which found a free vent to the continent; and that, under these circumstances, the price of sugar in England was 35*s.* net per cwt., at which rate both producer and consumer were satisfied. Suppose now France, envious of our prosperity, gave great encouragement to her colonial interests, and granted a bounty to exporters of sugar, which had the effect of supplanting the sale of 10,000 hhds. of British plantation sugar in some of the continental markets. In consequence, these 10,000 hhds. would have to be disposed of at a great depreciation; and from principles main-

tained by the censurers of the bounty themselves, that there cannot be one price abroad for British sugar and another at home, all sugar sold in Great Britain must suffer the same depreciation as took place in regard to those 10,000 hhds., amounting, say, to 3*s*. per cwt. The price to the consumer then becomes 32*s*. in place of 35*s*. Now, could any person conscientiously declare, that this 32*s*. was the natural rate at which sugar should be sold; and if the British Government introduced any regulation which did not, properly speaking, enhance prices, but merely kept them where they were at 35*s*., and which prevented French industry from supplanting British industry, would any consumer complain that he was injured, or that he paid one farthing more for his sugar than what was proper and equitable? We apprehend not. It is as much the legitimate province of government to frame remedial measures when prices are below their proper and natural level, as it is to frame remedial measures when they are above that level. No British manufacturer would covet cheapness caused by a glut of his merchandise, or by a return of goods upon his hands, unsold because of the restrictions of foreigners; by the same analogy, he ought not to clamour for cheapness in sugar attributable to causes precisely similar.

This illustration explains, in a short compass, the principle, the tendency, and the expediency of

a bounty on the exportation of refined sugar. Adopting Mr. Huskisson's position on its broadest grounds, that we are to take the price of sugar in the European markets generally as the criterion selling price, the bounty is not fixed and invariable in its nature. Though its amount payable out of the customs be fixed, yet the advantages which it yields to the sugar grower are variable. Sometimes they are great, sometimes entirely nugatory. This is a point pregnant with importance, as we shall presently have occasion to demonstrate.

Section V.

Examination of proposed Measures for extending the Refining Trade.

From the many works which have been published, and the numerous parliamentary discussions which have taken place, on colonial subjects during these few years past, it was natural to expect that plans innumerable would be suggested by different parties, to remedy those evils which their own peculiar views might lead them to imagine called most for amendment. Of late, matters have taken a more definite shape, and it is now currently understood, that government will attempt some extensive measure relating to the sugar trade, without delay. It is desirable to examine this plan, which is supposed to be in agitation by government, because it will give a fit opportunity of elucidating several important branches of the subject of a practical nature. The illustrations which will be submitted, will be applicable, at all times, in their general tenour to the colonial question. Means will thus be afforded to judge of the bearings and expediency of any modifications which may hereafter be introduced.

It will be desirable, for perspicuity, to state this plan under the heads in which it would be regularly enacted.

Heads of a Bill for granting Duties and allowing Drawbacks of Customs on Sugar:

Brown or Muscovado, or clayed sugar, viz.

	£	*s.*	*d.*
" I. The produce of and imported from the British possessions in America, the cwt. to pay.....	1	7	0
The produce of and imported from the British possessions within the limits of the East India Company's Charter, the cwt..	1	11	0
And further, for every shilling by which such sugar shall be of greater value the cwt. than the average value of brown or muscovado sugar, of the British plantations in the West Indies, until such further duty shall amount to 6*s.* the cwt.....	0	0	9
Not being such produce, or being otherwise imported, the cwt.....	1	12	0
And further, for every shilling by which such sugar shall be of greater value the cwt. than the average value of brown or muscovado sugar of the British plantations in the West Indies, the cwt.....	0	0	9

" II. Any person entering any sugar, the duty on which is to be ascertained by the value of the same, (not being sugar of the produce of, and imported from, the British possessions within the limits of the East India Company's Charter,) to give bond for the exportation within a limited time of an equivalent quantity of refined sugar, computing 61lbs. of single refined, and 18 lbs. of bastard sugar, to be the produce of one cwt. of raw sugar of average value, and computing a further produce of 2 lbs. of single refined, and 1 lb. of bastard sugar for every additional shilling of value. The exportation also of 28 lbs. of treacle or molasses, or of an equivalent quantity of refined sugar, will also be required, 8 lbs. of single refined sugar or 14 lbs. of bastard sugar being deemed such equivalent.

" III. The former bounties to be modified with reference to

the improved modes of refining, so as to give a full drawback of the foreign duty of 32*s*. for the superior qualities of refined sugar, without requiring the two perfect processes in making double refined sugar. A bounty of 8*s*. the cwt. will also be given upon the exportation of treacle under the bond; but the exportation of British plantation molasses from the warehouse, will be deemed to clear the bond in lieu of treacle resulting from the refining."

The remaining clauses relate to the execution of the measure.

"IV. The provisions of the Act 32 Geo. 3. cap. 43. 54., to be re-established for making up and publishing the average prices of British plantation muscovado sugar, and declaring that such price shall be deemed to be the average value of such sugars for the purposes of the Act.

"V. The officers of the customs to be empowered to take for the use of the crown any sugar entered for duty according to the value, giving the party, as the price of the same, a sum computed at the rate of 5*s*. the cwt. below the value stated in the entry, with reference to the average price last published; that is to say, if the sugar be entered as not being of greater value than the average value of British plantation sugar, the sum to be given to the party shall be computed at the rate of 5*s*. the cwt. below the last published average; and for every shilling by which the value of the sugar shall be declared in the entry to be above the average value, a further shilling shall be given to the party as the price of, and in full satisfaction for the same.

"VI. Payment of the bounties to take place upon putting the sugars into the warehouse for exportation."

In order to judge satisfactorily of the practical working of any plan intricate in itself, and consisting of several details, it is always the first object to strip it of those appendages which are

likely to come into operation in only rare and extreme cases, and which, therefore, may be omitted entirely in any investigation of the general tendency of the measure.

It appears that, besides an extra duty of 5*s.* per cwt., foreign sugar is to pay 9*d.* additional for every shilling in value by which that foreign sugar shall exceed the average value of West India sugar. It is not at all probable that this additional duty, regulated on the rising scale, would ever be required to be paid; or, at best, it would be so in such very few cases, as scarcely to merit consideration. In a very short time, the discovery would be made by the foreign planters of the exact sorts suited to the English market, and those would be sent, while superior qualities would be shipped elsewhere.

The better descriptions may come to England, but it does not follow that they would be entered by the refiners on paying the progressive additional duty. From the samples taken when the sugar is bonded, it would be easy to judge what was admissible at the 5*s.* and what was not; and all the latter description would be re-shipped to other markets. With commodities of a perishable nature, or with those which could not bear the charges of two shipments, the case might be different, because then the importer would have no alternative, and would be obliged to pay whatever duties were chargeable on those commodities. But under the bonding system of Great Britain,

large quantities of foreign sugar will always be imported to be warehoused designedly for exportation; and no inconvenience whatever will be sustained by re-exporting the finer descriptions which are not suited to the use of the refiners, those descriptions being best able to bear the double freight and charges. It is therefore plain, that the additional 9*d.* payable on foreign sugar will hardly ever be acted upon, and it may be omitted altogether in judging of the expediency of the general measure.

The next point which presents itself for consideration is of great moment. On the adoption of the proposed measure, the principle of the abstract economists, relative to the manner in which prices are governed, would come into full operation; for prices in England would then undeniably become completely dependant upon those of the continent. At present, doubts are entertained upon this subject by many merchants; the force of opinion occasionally acting, as they contend, in a contrary direction. But if a trade be established regularly, and at all times occasioning a large export to the continent, it is not possible for any difference of price to exist in England, compared with that abroad. A surplus of British plantation sugar we must export; and whatever net price is realized by the exporter, the same must be realized by the British West India planter in England. It is therefore abundantly evident, that 5*s.* a cwt.,

and no more, is established as the protecting duty on West India sugar. The enactment seems ostensibly confined to the refineries, but it is quite idle to view it in that limited light. From the complete dependence upon Continental prices which must ensue, the domestic consumption is as much involved in the question as the export trade; and, in both cases, the fact is clear, that 5*s.* is taken as the fixed and permanent protecting duty to which West India sugar is considered to be entitled. If foreign planters can undersell the British planters by more than that small sum, they will completely supplant them; and in doing so, they will ruin them whenever the two parties come into direct competition. The first and leading question, therefore, that will occur to every reflecting individual, is, simply this: Is 5*s.* the whole of the degree in which sugar can be raised cheaper in Havannah and Brazils than in the British colonies? Supposing that it is not, the next question is, are the causes which occasion the greater dearness in the British colonies of such a nature as to call for specific provision in legislation. Government surely must carefully have considered these points before it would venture even in a whisper to promulgate a plan of such important consequences as that under discussion. The Ministers who preside over the department of trade are imperatively bound, no less for the sake of impartial legislation than for their own character, to exhibit to Parliament and to the

British public, the data on which their estimate of 5*s*. protecting duty on West India sugar is made. Where is their calculation? What are the documents and authorities upon which that calculation is founded? If, at a guess, 5*s*. has been selected as a fair criterion of difference between the cost of cultivation in the British colonies and the cost of cultivation in foreign countries, it will be difficult to exonerate them from precipitation and utter unacquaintance with the actual condition of our colonies.

In the fourth Chapter of this work, an outline was given of the comparative cost of producing sugar in the different parts of the world which competed with each other. It is conceived that, if error exists, it may be detected, and that no mystery or difficulty arises in making the application to the question before us. Of the cost of producing sugar in Brazil and the Havannah, we can judge at once, and decisively, by its selling price when shipped. That price its cultivators are willing to take, and, at the same time, they are desirous to extend their cultivation. There is proof positive, therefore, that prices are not below the fair cost of cultivation. By prices current it appears, that Muscovado Brazil sugar, during the years 1824, 1825, and part of 1826, could be had in Brazil for 11*s*. per cwt., calculating the arobe at 32 lbs. weight, and taking the milrea at the current rate of exchange, about 48*d*. to 50*d*. sterling. To

estimate correctly the quality of this sugar, is difficult; but from every information which could be obtained from individuals locally acquainted with Brazil, it may be considered about 3*s.* below the average of British plantation sugar. The cost of cultivation, therefore, may be stated at 14*s.* The port charges in Bahia and Pernambuco, are about 1*s.* 6*d.*; the commission for shipment 9*d.*, making the entire cost, when shipped, 16*s.* 3*d.* If the freight to Europe be taken at 4*s.* 6*d.*, the insurance commission and charges at 4*s.* 6*d.*, this sugar, of a description just admissible at the 5*s.* extra duty, could be sold in London at 25*s.* 3*d.*

In the Havannah, though the price when shipped ranges considerably higher, yet the cost of cultivation is nearly the same. During the years stated, the price appears to have been 17*s.* 6*d.* for white. But this quality is supposed to be more than 2*s.* above the average of British plantation: the cost of production ought therefore to be stated at 15*s.* 6*d.* The port charges and foreign tonnage duty amount to fully 6*s.* 3*d.*; adding freight to Europe and other charges, the same as those selected for Brazil, the entire price would be 30*s.* 9*d.*

Prices occasionally are comparatively high in Brazil, and particularly in Havannah, in consequence of active competition among purchasers to procure remittances for the large quantity of manufactures shipped to that port. These goods sell dearly, which allows some loss to be sustained

on the returns; and, besides, anxiety to procure freights leads often to considerable shipments on speculation. If these circumstances be fully taken into account, it is probable that the proper price of raising sugar is still lower than that stated.

From minute details which were selected with every desire to be impartial, it was shown that sugar could not be produced in Jamaica, the most important of our colonies, and a correct standard to judge of the rest under 41*s.* 9*d.*, and leave, what a Parliamentary Committee pronounced to be, a fair remunerating profit to the planter. Of this sum, 15*s.* 1*d.* was on account of contingent expenditure; 26*s.* 8*d.* the interest on capital invested: if freight and charges be added, similar to those just stated, the entire cost in London is 50*s.* 9*d.*, while that of Havannah is only 30*s.* 9*d.*, Brazil 25*s.* 3*d.* It is manifest, consequently, that unless a protecting duty of upwards of 20*s.* were granted, the foreigner would supplant the Jamaica planter if the market were open; that is to say, the former would conduct his business at a profit, while the latter would be getting involved in debt.

This difference appearing so prodigious, it may again be observed, that the comparative high cost in the British colonies cannot be said to be attributable to speculation, or to dear purchases made by the existing proprietors; it is founded on the regular charges of keeping up the supply of labourers on the plantation.

Let us attend now to the second consideration. Does the entire of the difference between the cost of cultivation in the British colonies and that in foreign countries call for specific protection? Some writers assert that it is attributable to the superior fertility of the land in foreign countries, contrasted with the exhausted, worn-out soils of the British islands, and to other causes of a similar nature, which ought not to be considered in framing a scale of protecting duties.

The difference in cost is not so occasioned. Certainly, in many parts of the Brazil, the land is of superior fertility to that of many of our colonies, equivalent, in consequence of larger quantity of produce made, to perhaps about 4*s*. or 5*s*. per cwt. But, at present, this is compensated by the superior machinery and works which are erected in the British islands. Let similar machinery be introduced into Brazil, and sugar can then be sold several shillings lower than at present. We may, therefore, entirely waive examining this favourite dogma of Political Economists, always to give preference to the cultivation of that land of the highest grade of fertility, no matter whether situated abroad or in your own dominions, since, properly, it enters not at present into the discussion. The difference in the cost of production springs not from the laws of Providence in giving less natural advantages to the British colonies than to other nations; it proceeds either from the artificial regulations of particular govern-

ments, or from improper privileges which foreigners possess. In our general inquiry into the principles of Colonial Policy, we resolved these causes of dearness to their source, and pointed out the grounds on which protection should be granted. Let us suppose, for final illustration, two vessels laden with lumber to arrive simultaneously, one in Jamaica, the other in Brazil. The planter in the latter country purchases a given quantity of that lumber for 100*l.*; for a quantity precisely similar, the Jamaica planter pays 125*l.* If this 25*l.*, which is taken out of his pocket, be occasioned solely by acts of the British legislature, should it not form part of the data demanding careful scrutiny and attention before the scale of sugar duties was determined.

In consequence of the interdiction of the trade between the United States and the British colonies, and duties imposed on all other articles of importation, the entire expenditure for supplies on a British plantation is increased 25 per cent. above its natural level if commerce were free, which is equivalent to 5*s.* 3*d.* per cwt., if the high charges of British navigation be included.

In regard to the other advantages possessed by foreigners, slaves can be had at 30*l.* to 40*l.*, about one-half the cost at which they can be reared in the British colonies. If, in addition to this superior cost of the slaves, we take a reasonable allowance for that portion of the capital sunk in clearing the

land and erecting buildings, of which the cost is dependent in the first instance upon labour, we shall find that the effects of the difference between rearing slaves at 70*l.* and buying them at 35*l.*, is equivalent in the cost of cultivation to fully 11*s.* per cwt.

	£.
Value of 300 slaves on a plantation in Jamaica 21,000*l.*, one half	10,500
Proportion of labour, included as a component of the cost of buildings, 10,000*l.*, estimated at two-fifths	4,000
Labour sunk in clearing land . . .	2,500
Total excess of capital required in the British colonies beyond that of foreign countries in consequence of the superior value of the slaves .	17,000

The entire capital, 41,000*l.*, requires a return of 26*s.* 8*d.* per cwt. on sugar: 17,000*l.* will, therefore, require a return of 11*s.*

The remaining part of the difference between raising sugar in the British colonies and in foreign colonies is mainly attributable to the superior supply of clothing and maintenance given to the British slaves.

All these grounds for giving extensive protection to the produce of our own colonies are definite, palpable, and incontestable. Even supposing doubts to exist on that part of the subject which relates to the value of colonies, all parties, political economists or advocates for restriction, it is conceived, must admit that the West India colonists are entitled to the chief portion of that protecting duty which they claim on account of the

continuance of the foreign slave trade. The words of Mr. Huskisson cannot be forgotten,—that it was the proper province of the British legislature to foster and encourage her own colonies as the most efficient mode of checking this inhuman traffic, and of benefiting and exalting the entire African race. Are we to believe that his zeal for that beneficent object is abated, or that he has changed his opinion concerning the means of its attainment?

It may be argued, that it is improper and extravagant to advocate a protecting duty calculated in relation to the full cost of raising sugar in the British plantations, since it is a notorious fact, that, for some years past, prices have been greatly under that rate, and since no capitalist would give 41,000*l.* for the estate which has been selected as exhibiting the average value of properties in Jamaica. To this it may be replied, that all duties should be adjusted upon some known and fixed principle. No principle appears so proper as the actual cost of production; the capital described as invested in Jamaica could have been actually realized previous to 1823, when depreciation commenced, owing to proceedings of the British legislature; and surely it would be adding cruelty to distress to bereave the British planters of all hope, and to assume the unparalleled depression under which they suffer as the natural standard of things.

Presuming that sufficient has been said to demonstrate that the proposed measure is not grounded

upon equitable principles, it is now necessary to trace the extent of its practical operation, and to show that the opposition of the West India colonists does not proceed from slight grounds.

Brazil sugar can virtually be brought and sold in England for 25*s.* 3*d.* ; adding the duty of 32*s.*, it will be sold at 57*s.* 3*d.*, if permitted to be used in the refineries. The price of British plantation sugar, at present, is 62*s.* What a prodigious increase of importation, in a very short space of time, must thus inevitably take place!

It may be thought by many inquirers, that we have rather strained the case in our calculation, since, if Brazilian sugar can be imported into England at 25*s.* 3*d.*, it should be sold now at that rate on the Continent. But, again, let the facilities and certainty of the English market be attentively considered. Promptness in making remittances, and accommodations in credit, are everything to the tropical cultivator. These are supplied by England far more efficiently than by any other country, and soon would they be called into action on behalf of the foreigner, should opportunity present itself. He who, like Mr. Huskisson, takes the present prices in England as a proper standard to judge of the rate at which Brazilian sugar will be imported, on the ground that there is but one price in the European market generally, it is obvious, proceeds upon vague and uncertain data; because, in the practical operations of trade,

a multitude of circumstances prevent this from being universally true. But he who looks simply at the price at which sugar can be bought in the Brazils, and adds freight and charges, can tell pretty accurately the price at which it can be sold in England, and for all practical purposes his calculation is most to be depended upon.

Nothing can be more erroneous than to conclude that the whole sugar which Brazil or Cuba is capable of producing now is produced; and that, therefore, it makes little difference whether it comes to England or the Continent, the aggregate quantity in Europe, in either case, remaining the same. Brazil now produces annually about 80,000 chests, weighing 15 cwt. and upwards, of which there are made in the neighbourhood of

Bahia . . .	about	42,000
Rio Janeiro		18,000
Pernambuco		20,000

The capabilities for production in these quarters are described by all travellers of authority to be very great; and were inducements held out for the cultivation of sugar, many thousand negroes, who are now employed in raising cotton, would be immediately placed on sugar plantations.

Far, indeed, from straining the case, in selecting 25*s.* 3*d.* as the price at which Brazil sugar could be sold, we are justified in going much further. Conveniences of credit will not only be given by mercantile houses in London, but

British capital will positively go out to stimulate production. Descriptions of the vent that will be given for this capital, figure as prominent arguments in all the applications with which government has been beset from parties interested in this question who are anxious for the admission of foreign sugar. It is, indeed, a strange argument justificatory of a change, to urge the destruction of capital already invested in British possessions, in order that fresh capital might be drawn from other pursuits at home, to be vested in foreign countries. But from the avowal made by parties themselves, it is manifest that that capital would go out, and that, low as sugar now is produced in foreign countries, it must soon fall still lower. In conjunction with the many advantages already possessed by the foreigner, let us fancy the effects of British machinery, steam-engine, and improved works, if introduced into Cuba or the Brazils. If cultivation now is rude and imperfect, and produces such injury to the British planter, what must it do when it becomes scientific? In order to judge of this fact, let an estimate be made of the produce raised in Demerara, in 1810, and contrasted with the quantity raised now; and it will be found that while the number of labourers has not increased, the produce has trebled, solely resulting from the introduction of British capital and machinery.

On the whole, therefore, when we consider the advantages of the British market, the assistance

that will be given by advances of money to foreign planters, and the speculation which will ensue both abroad and in England from these combined causes, it is a matter of demonstration that a prodigious increase of foreign sugar must be imported into England.

Let us contemplate the effects of that increase on the British planter.

In the first place, his protecting duty in the home market would cease to be of advantage in any one shape. From the increasing quantity of Mauritius sugar annually imported, there is no prospect of the domestic consumption absorbing the entire supply admissible at the *present* British plantation duty. The quantity which must be exported under the proposed measure will be enormous, and it will reduce all sugar for English consumption undeviatingly and universally to the same level with the continental prices. There will be none of those modifying and alleviating circumstances, which, at present, so often operate in favour of the planter. Competition between the refiner and the grocer will then be at an end; and the merchant will have no resource or opportunity to avail himself of their occasional eagerness to purchase as their stocks become low, by which the market for British plantation sugar is animated, to the great advantage of the sellers. Exports of a surplus taking place accidentally and transiently, and exports of a surplus taking place regularly and constantly, are

as different in their effects as can be imagined. Suppose the surplus is now 30,000 hogsheads, and that the price on the Continent is 30*s.*: it is quite possible for many planters to realize in England a higher price for a large portion of their crop. During part of the year, the price of sugar in England may remain stationary, at a few shillings above the prices abroad. During that interval, no exports will take place, but still a large quantity of sugar may be sold at home, on which the British planter obtained the high price. To him it is virtually realized. Of course, prices fall eventually to allow the surplus to be shipped, and that fall necessarily affects the planter selling his produce at the existing moment; but it does not take the few shillings from the individual who has skilfully watched the market and sold his produce; nor does it prevent other individuals from holding over their produce until all the surplus is removed and prices again improve. These facts show, that though the protecting duty does not give the positive advantages which other classes of British producers enjoy, still it has many redeeming points, and is of great service to the West India colonists. These advantages are effectually destroyed by the new plan. It is obvious they are all lost if the export of refined sugar be prodigiously increased, and in consequence it is taking place every day.

The second evil which will fall on the West Indians, by the proposed scale of duties, is more formidable.

When at present the supply of sugar is fully equal to the demand, what must be the effect if, through speculation and all the causes which have been enumerated, fifty to one hundred thousand hogsheads, perhaps, are added to the European market. A prodigious fall must ensue, eventually ruining the British islands, and leaving production in those countries where it can be conducted on the cheapest terms.

The surplus, which is now produced in the British colonies beyond the domestic consumption of Great Britain, must still be got rid of. Under the new measure, it will equally have to be refined, and exported to markets on the Continent, as at present. If 30,000 hogsheads be the present surplus, and 50,000 hogsheads of foreign sugar be estimated as clear increased production caused by the new excitement, the entire surplus will amount to 80,000 hogsheads, while the supply imported direct from foreign countries into the Continent continues the same as before. Whatever foreign sugar, therefore, is imported into England for the use of the refiners, will be so much clearly forced upon markets already fully supplied; and must, as a matter of necessity, according to the ordinary principles of supply and demand, occasion dreadful depreciation. As this depreciation proceeds, it will not rectify itself by checking the efforts of the new candidates for the supply of the European market; it will rectify itself by driving production out of the old-established settlements.

When Brazilian and Cuba sugar are first imported into England, in all probability they will not be sold at their proper cost of production; they will conform to the existing price, or rather fall something below it, in order that sales may be promptly effected; but, although prices descend, no difference will be made in the stimulus directed to production. The exorbitancy of profits will be lessened; but increased importations will still pour in until prices are reduced to that rate when the profit of raising sugar in foreign countries corresponds to the profit of raising cotton or other commodities. Jamaica and Barbadoes, after the struggle which will assuredly attend this state of things, must fall, and the British capital invested in them be utterly extinguished.

If it be in the least presumable that these evils will arise, and it really seems impossible to doubt them, it must surely be expected that, in the proposed plan, great countervailing advantages would be given to the West Indians, in regard to their supply of the home market. The bounty is supposed to be this advantage. If Mr. Huskisson's views can be judged of correctly, they may be thus stated:—Prices in England correspond to those of the continent. Protection under such cases can only be given to you under the shape of a bounty; that bounty you shall have; you shall draw back 5*s*. more than the exporter of foreign sugar, and then you will be better off than at present; or, at

least, you will have a latitude of 5*s*. to compensate you for any reduction that may be made in prices through increased production.

The insufficiency of this latitude has been exposed: let us attend now to the other member of the position. It is hoped that no parties concerned will be startled when the assertion is made that, under the proposed regulation, the bounty would be of no service whatever. The practical advantages of a bounty diminish as the surplus increases beyond a definite quantity; and, under the proposed plan, the surplus would be so increased, that all the seeming advantages of the bounty would become nugatory. These advantages can only imply prices in England to be higher than the ordinary selling prices on the continent. Suppose, for example, England to have a surplus of 30,000 hogsheads, which find a perfectly free vent on the continent: if a bounty be allowed, prices will, in this case, be higher in England by its amount, and it will be serviceable to the exporters to its full extent. But if the surplus be increased to 60,000 hogsheads, while 30,000 hogsheads are the entire quantity which can gain admission, without being burthened with heavy duties, in this case the net price going to the planter is not higher in England than on the continent, perhaps it is less; and then, owing to the forced export, the bounty ceases to be serviceable.

A little reflection must show this result to be evident. Suppose the price of sugar in both Prussia and Austria to be 60*s.* net for refined loaves, and that Prussia will receive 30,000 hogsheads from us duty free, while Austria imposes a duty of 10*s.* per cwt. It is clear that, in this case, we could advantageously sell to Prussia, and not to Austria. But if the quantity of sugar in England continue progressively to accumulate, merchants cannot allow it to perish in their warehouses; they must get for it whatever it will bring, and they will ship it to Austria. But the Austrian consumer will give no more for it than 60*s.*, the regular selling price of sugar in those dominions. Therefore, if it pay a duty of 10*s.*, the net price realized by the exporter will be only 50*s.*; the same price will exactly prevail in England, because no exporter would sell sugar in Austria at 50*s.* if he could obtain 50*s.* for it in England, or rather that price less the cost of transport; and the case supposed, that, as a matter of necessity, a certain quantity was constrained to be shipped.

From this illustration, it will be perceived, that the question of the bounty lies in a narrow compass; its bearings may be compressed into two points.

First. What is the annual quantity of refined sugar which can be admitted duty free into the continent?

Secondly. Supposing our exports to exceed that

quantity, what are the duties to be paid to foreign powers on importation? are they greater or less than the 5*s*. bounty?

In regard to the first point, pretty extensive information has been given to decide that even the limited quantity at present shipped cannot find a perfectly free admittance into the continent. France, Holland, Russia, Denmark, all are peremptorily shut against us. In Austria, in Sardinia, and in several of the small German states, high duties are levied on refined, which are not exacted on raw sugar, and which, consequently, have the effect of depressing the net price to the British exporter, if he is constrained to ship to those quarters. Of course it is difficult, if not impossible, to make an exact estimate of the quantity of refined sugar which could be advantageously shipped to the continent, were our refiners permitted to use foreign sugar; but there are really reasons to conclude, that, under any conceivable advantages given to them, only 20,000 to 24,000 hhds. could find a vent in Prussia and Germany, 10,000 to 12,000 in the Mediterranean, and about 6000 in British settlements and other parts. If the surplus do not exceed this quantity, the bounty unquestionably is an advantage to its full extent; and it may keep prices in England at 35*s*., while the average of the continent is 30*s*. But suppose now, from increased importations of foreign sugar into England, that 20,000 hhds. additional have to be

exported: where are these to be sold? Probably by destroying the refineries in the free ports of Hamburgh and Bremen—and it ought to be remembered, that they are already nearly destroyed, and are in a worse state of depression than the British—our exports to Germany might be increased 10,000 hhds. Beyond that we can hardly go, even at any price. The remaining 10,000 hhds. have to be shipped to the Mediterranean. If previously we supplied the full quantity that was admissible in all parts bounded by this sea, including the Levant, it is obvious that 10,000 hhds. forced upon some market, would have to pay the duties formerly detailed. Let us suppose that Trieste is this market. The duty on British refined sugar is 8*s.* more than on sugar locally refined within the Austrian dominions: will not the case then become precisely parallel to the assumed illustration just given between Prussia and Austria, and will not the British exporters be constrained to sell these 10,000 hhds. at 8*s.* per cwt. lower than the price in that quarter to which the sugar is shipped, and where the price may naturally be presumed to be no higher than the average of Europe? How then stands the case? The price abroad is 30*s.*; the British exporter realizes only 22*s.*, because he has to pay a duty of 8*s.* to the foreign government. Let the bounty given to him in England be added, and the price becomes 27*s.*, while the continental price is 30*s.*; so that, owing

to the forced export, the bounty not only has become nugatory, but prices in England are virtually below the level of those of the continent.

It may be said that the British refiners will compensate for this by their superior skill. Should they do so, it makes no difference in the application of our argument. There is still proportionably the same variable effect produced on prices between exporting a small quantity and exporting a large quantity of refined sugar. Let the superior skill of the British refiners be computed as equal to 5*s*. per cwt.; and say, for the purpose of argument, that, through competition amongst that body, they give the whole of this to the planter: in this case, on exporting a small surplus of 30,000 hhds., prices in England would be 40*s*., while the continental price was 30*s*.; five shillings being opposite the bounty, and five shillings further being opposite the skill of the refiners. But if the quantity be increased by 20,000, making the entire exports 50,000 hhds., though the refiners give the advantages of their skill to the planter, still the same relative depreciation as that before stated results in consequence of the constrained export. Prices then become 32*s*., while, if the small surplus only had to be exported, they would be at 40*s*. Therefore, in every case, it is clear that it is of the utmost importance to the British planters, that the surplus should not exceed a definite quantity.

Though, for illustration, we have supposed that an increased export of 20,000 hhds. could find admission on the continent, on paying a duty comparatively moderate to foreigners, yet it really seems questionable if so large a quantity could be exported. But be it beyond or within the mark, it is evident that we shall sooner or later come to that point where further exports of refined sugar to the continent are positively prohibited. That point will be reached long, very long, before the stimulus to foreign production has ceased to operate; and then, ruinous indeed will be the effects on all classes. A large portion of the vast surplus imported beyond our domestic consumption, caused by speculation working in a hundred channels, will have to be exported in a raw state; and few capitalists would envy the miserable pittance that, in that case, will go to the British sugar-grower.

Many may imagine, that the very fall of prices will occasion increased consumption on the continent, and that then a larger export of refined sugar will take place. This evinces a confined view of the subject. It is true, the consumption may be increased, but that increase will not benefit the British refiners; after a stated point, it will only occasion a larger quantity of *raw* sugar to be exported in place of refined; which raw sugar will be the produce of the British plantations as well as of Cuba and Brazil. Foreigners do not object to use our sugar, but they object

to take it in a manufactured shape; and if they decree, that in that shape, it shall be peremptorily prohibited, what is to prevent them, or where is the remedy? We have no alternative, but to send them raw sugar, in case speculation should occasion, as no doubt it would do, that prodigious importation into England which is dreaded.

The application of this reasoning depends entirely upon the regulations of the continental states which have been detailed. Having supplied the rule for judging of the question in all its bearings, it will not be necessary to pursue the illustrations further. The pith of the question lies in this simple position: Will the import of foreign sugar into Great Britain make our entire surplus exceed the quantity which can be admitted duty free into the continental markets? We think it has been demonstrated that it would exceed it in a tenfold, nay, in a hundredfold proportion, unless the speedy extinction of cultivation in the British colonies is contemplated. But it ought to be recollected, that when prices descend, planters, being unable to withdraw their capital, will endeavour to struggle against their losses by making larger quantities of produce; so that the surplus produced in the British plantations will not be removed until the contingent expenditure of cultivation in the great majority of them exceeds their returns, when a total loss of all the fixed capital must ensue.

It is not necessary to suppose that any further

restrictions will be imposed by foreign governments; those now in existence are fully sufficient to justify all the conclusions which have been drawn.

Should it be considered that too small an allowance has been made for our exports to the Mediterranean, in consequence of new markets arising in that quarter, it may be observed, in explanation, that some latitude has been given for the increasing exports of France.

When we expose, on general grounds, the improper principle and tendency of any measure, it is scarcely necessary to descend to minor details. But one remark upon the regulation respecting molasses may not be misplaced. The refiner of foreign sugar is at liberty to export 8lbs. of refined, in place of 28lbs. molasses. From the low price of molasses on the continent, refined sugar, in every case, would be shipped in preference. In consequence, the market at home must become overstocked with molasses, which would materially injure the British planter in the vent which he now procures for that article. Through the stoppage of the American trade, which formerly was the means of getting rid of a very large portion of this commodity, there were imported into Great Britain, in 1827, 36,559 puncheons of molasses, being 10,000 puncheons beyond the former year. This quantity is much above the wants of the home market; accordingly, if a large additional supply is forced upon it through the refining of foreign

sugar, it must cause great depreciation in this article.

After this comprehensive examination, it may be unequivocally declared, that the measure is made up of evils; and that those apparently redeeming points, relative to the bounty and to the obligation of exporting manufactured produce equivalent to the quantity of foreign sugar entered for refining, which attracted the favourable attention of many West India planters and merchants some time back, when the subject was imperfectly understood, are entirely delusive. We should ruin our own planters; we attempt to extend the trade of the refiners, which is not capable of extension, unless we retrace errors of the past, and frame new commercial treaties with our neighbours; and we should pay out of the national coffers a large sum of money which would not benefit any parties concerned, but which would go entirely into foreign treasuries.

When the refiners perceive that they are under great delusion in respect to the extent of the benefits which they expect from the measure, it is natural to conclude that their efforts against the colonial interests will abate. They have represented that, at times, there is not a sufficient quantity of British plantation sugar in the market to enable them to conduct their business. This representation is erroneous. At any given time during the year, they have more latitude in purchasing different sorts and qualities than exists in

Hamburgh. Sometimes they may not find that description of strong Jamaica or St. Vincent sugar, which gives them *greater* advantages in the process of refining than prevails abroad; but could this, properly speaking, be termed deficiency? In every case, it is a question of price, not of quality. When the refiner discovers that the *ordinary* descriptions of muscovado will not refine at that advantage to enable him profitably to export, he should blame the lowness of prices abroad, not the want of means of conducting his business.

Sometimes a different line of advocacy is employed. It is contended, that the refiners have a right to the export trade free and unrestricted; that to them it is merely a measure of common justice to permit them to carry on a trade which is meant not to interfere with domestic consumption, and which is so much additional industry obtained to the nation. It is difficult to understand the exact application of this argument. Do we, at any time, by the term right, mean more than the liberty given to every individual in the social compact to pursue at pleasure his own calling, provided that it do not militate against the general weal? To ensure this conventional and harmonious union amongst all subjects of the empire, individual views must occasionally subserve; the various descriptions of national industry must proceed in their proper gradation according to their relative importance; the more extensive must take

precedence of the trivial; the fixed and permanent enjoy superior consideration to the transient and auxiliary. An advocate for particular or detached interests will never merit attention beyond the fleeting contention of the hour, unless his argument is grounded on considerations for the general benefit. If, therefore, the refiners are determined to be at issue with parties in whose prosperity they have participated, whose adversity they ought equally to commiserate, it is obligatory on them to show that the refining trade, in which a few hundred thousand pounds are employed, is of more importance than the colonies in which one hundred millions are invested. Did not the colonists conceive it their bounden duty to yield implicit obedience to that commercial code which elicits, or, at all events, is designed to elicit national production in its most approved form, it would be easy to show that the refiners enjoy more privileges at the colonists' expense than those to which they are fairly entitled. The refiners have at present the entire of the refining trade for the home market. Have they any natural right to this exclusive branch of business? None whatever. It should be conducted in the colonies; it is part of the process of making sugar fit for use, which legitimately should belong to the West Indians. It would, indeed, be desirable if some declaration were made by the legislature, to set cavil at rest, and to indicate to all parties concerned their rela-

tive importance in the consideration of the means of extending colonial commerce. First should come the British public; secondly, the colonists; and lastly, those branches of business which are auxiliary, and which have been classed under the head of "carrying trade."

Chapter VIII.

APPLICATION OF THE PRECEDING VIEWS TO AN EQUITABLE AND COMPREHENSIVE SYSTEM OF COLONIAL POLICY.

The following points, it is conceived, have been established in this inquiry.

That colonies are eminently beneficial, and contribute to the prosperity and maritime strength of this kingdom.

That of late years the British West India colonies have declined, while those of neighbouring nations have flourished.

That the British colonies have declined from causes unforeseen, unprecedented and unnatural, while foreign colonies have flourished by improper means, and not by legitimate industry; and that in consequence of loss thus operating absolutely and relatively, the general commerce of the empire has been greatly injured.

Therefore, what is required at the existing moment is a comprehensive measure of a twofold character—First, such as will restore confidence and give effectual assistance to the colonies.—Secondly, such as will tend to check the foreign slave-trade.

The first object may be accomplished by a

REDUCTION of the duty payable on British plantation sugar.

Every person in the least acquainted with the colonies, must be aware that want of confidence in the Legislature is a leading cause of the depression under which they labour at present. Transfers of property are at an end. Planters who have legacies to pay or pecuniary settlements of any kind to arrange, cannot raise money on their plantations, in the same manner as individuals can do who are possessed of property in other parts of the empire. This is a great grievance, and it proceeds from the incertainty in which all colonial property is placed, occasioned, we are constrained to acknowledge, by the vague, indefinite and vacillating conduct of the legislature. Sometimes East India sugar is threatened to be admitted at the British plantation duty. Sometimes the produce of that portion of the empire is thrust aside in the question, and we behold zealous advocacy for the admission of foreign sugar. In this state of things, no further investments of property will take place in the British colonies. But an immediate change would succeed were the duty reduced, and were equitable protection given to British plantation sugar over that of the East Indies and of foreign countries. That act, in the present temper of the times, would be regarded as decisive, and an unequivocal declaration of the permanent policy intended to be pursued towards the West India colonies. It

would restore drooping confidence; it would animate production; it would relieve unmerited distress. Pending the discussion of the silk duties, business was nearly suspended. But no sooner was a judicious scale of duties enacted, varying from 30 to 50 per cent., than large investments were made, and activity soon displayed itself, diffusing its beneficial influence upon the national prosperity. How much more widely would be the beneficial operation of an equitable and definitive decision on the colonial question!

The next advantage which would accrue from a reduction of duty, though of inferior intrinsic consequence, is of a more direct and palpable nature than that just described. The consumption of sugar would be increased. Little is required to prove that all producers are benefited by an extensive consumption of their commodities, and facts have been adduced to show that the present high duty obstructs the use of sugar by the people at large. Were its consumption brought to bear the same proportion to the population at present as it did thirty years ago, distress in the colonies would soon disappear, and we should cease in our colonial relations to be dependent upon the caprices and illiberality of foreigners.

It may, perhaps, be imagined that too great sanguineness is betrayed in expecting increase of consumption proportionate to reduction of price, it being first requisite to remove the distress

which pervades all parts of the British empire. But may we not make some estimate for the effect of colonial prosperity upon the labouring population at large? It is our fundamental position, that colonies constitute a main pillar of our commerce. If they are distressed, the widely ramified branches of business dependent upon them are equally depressed. If they revive, these branches still follow in their train, and revive along with them. Is it unreasonable, therefore, to make some allowance for the reciprocal action of cause and effect, and to conclude that a reduction of duty will produce the beneficial consequences anticipated? It gives direct assistance to the people; it gives assistance equally to the colonies; its separate effects thus act with accelerated force upon each other; and, on the whole, it seems the best calculated to give that encouragement to our colonies, which is now required, of a commercial character, and which comes within the compass of our inquiry.

The second desideratum, that of stopping the foreign slave-trade, presents far greater difficulties.

We assume it as an unalterable and perpetual axiom, that no British minister could ever propose, and that Parliament would never listen to any proposition relating to the colonies, which was not calculated to check this unprincipled traffic. After the resolutions of Parliament, and after the feeling which the whole country has so clearly displayed, on the subject of slavery, a minister of the crown

could hardly be susceptible of shame who would introduce a bill affecting the commerce of foreign nations in which tropical produce was raised by slave labour, without containing some direct stipulations upon this head.

But it becomes a question of grave consideration whether, in the existing state of colonial commerce, there may not be an opportunity of using more efficient means than those hitherto used for suppressing this traffic. It has not yet been generally declared PIRACY; and until that be done, this country should give no favour or boon to states concerned in its prosecution. The British colonies must be sufferers so long as it lasts. Should any concession of theirs tend to abate it, they are gainers to an extent far beyond what the generality of colonists believe.

The grand consideration, therefore, is precisely this: Is there any concession at hand which could be held out prospectively to foreigners, and is it of that nature which could be safely offered?

Experience clearly testifies that the slave-trade cannot be stopped unless a change be effected in the sentiments of the foreign planters. At present, the foreigner eagerly pursues the traffic from the thirst for gain, and because he can do so with comparative impunity. Where the risk of detection is small, and the sense of moral obligation weak, you can only cause a man to desist by placing before him more alluring prospects of emolument than those

which he now pursues. It is an undoubted fact, that the opening of the English market is courted by all foreign planters, as the greatest advantage they could possibly obtain. Work, therefore, in all future negotiations, upon their cupidity, and make a greater incentive conquer a less. Announce to them that the English market shall be open to them on equitable terms, for the purpose of supplying our export trade, if they effectually terminate the slave-trade, and they will probably accede to the proposal. They will consent that that acquiescence shall not rest on vague assurance, or on treaties liable to imperfect execution ; but will stipulate to give such adequate power to England to bring the delinquents to punishment, as shall effectually stop the worst features of the traffic. Were it once declared piracy, and sufficient vigilance exerted by England, the cases of successful smuggling would be few, and would hardly constitute a serious exception to the manifold benefits derivable from the measure. Under the existing state of things, it is to be apprehended, that there is no likelihood of foreign nations acceding to a treaty declaring the slave-trade piracy ; because an abstract question of humanity is of feeble influence in most national councils, and because the interference of England may seem to savour of dictation. But were England to open her ports to foreign sugar, under certain conditions and stipulations, it then becomes a question of interest, not of humanity ; and she has

such powerful inducements at her back, that from a supplicating party she assumes the attitude of a donor.

To the West India colonists, the advantages of such a measure would be great and extensive. Were the foreign slave-trade checked, that competition, now conducted at such monstrous odds against them, would abate, and the cost of raising sugar would gradually approximate to that legitimate standard which gave fair returns on the capital invested. Of course, it will be understood that, in discussing any prospective measure on this head, foreign sugar, under every circumstance, is to be excluded from domestic consumption. Bond would always have to be given to ensure the exportation of manufactured produce corresponding to the quantity of foreign sugar that was entered for the purpose of refining.

Let us reduce our views to a tangible shape, and imagine that, after the duty on British plantation sugar had been reduced, government succeeded in its negotiations with foreign countries, and got them effectually to stop the slave-trade. In this case the following scale of duties might not be very distant from an equitable arrangement.

	s.	*d.*
British Plantation sugar to pay per cwt. -	20	0
East India sugar - - - - -	26	0

And further, for every shilling by which such sugar shall be of greater value the

	s.	*d.*
cwt. than the average of British plantation sugar, until the entire duty shall amount to 30*s.* - - - - - - -	0	9
Foreign sugar, the growth of those countries which shall have ratified a treaty with Great Britain declaring the Slave Trade Piracy - - - - - - -	27	0
And further, for every shilling by which such sugar shall be of greater value the cwt. than British plantation sugar, the cwt.	0	9

On the entering foreign sugar, bond to be given to export, in the proportion of 61 lbs. refined sugar 18 lbs. of bastard and 28 lbs. of molasses for every 112 lbs. of raw sugar.

The bounty to continue as at present.

Importations to be confined to British ships.

Sugar, the produce of Java, Cochin China, or other foreign places, to be either prohibited from being imported into East India possessions, or to be placed upon the same footing as foreign produce is placed on, when imported into the West Indies.

This last measure is particularly required to check a practice which now prevails, of importing Java sugar under the denomination of East India.

The progressive scale of rising duties, limited in regard to India, unlimited in regard to foreign countries, is selected from the plan discussed in the preceding Chapter, because (particularly in regard to India) it seems the most equitable mode of exacting duties on the better descriptions of quality.

It will be clearly understood, that it is an indispensable condition of this plan, that the slave-trade be stopped both in PRACTICE and in law. Some stipulations respecting the necessity of having certificates from Consuls abroad might, perhaps, be judiciously introduced.

It ought, indeed, to be observed, that these rates of duty are submitted, not from any presumption that the writer is capable of determining the point, but because they illustrate and constitute the application of the general views contained in this work. They are strictly deduced from those principles of justice and policy which were selected as the basis on which all colonial regulations should be grounded.

The suggested measure appears to be just, because it is presumed that when the slave-trade is effectually stopped in those foreign countries from which sugar is imported, 7*s.* additional duty would about cover those extra charges to which the British planter is made subject by the restrictions and regulations imposed by the parent state; including also a small allowance for expenses imposed upon

the British planter in respect to the treatment of his slaves.

In regard to the East Indies, it is likewise just, because, dropping consideration on the last point adverted to, it provides an equitable exaction opposed to the uncontrolled freedom of commerce which the East India trader enjoys.

In asserting that the suggested measure will benefit the West India colonist, we make use of one assumption, that the reduction of duty to 20*s*. would lead to increased domestic consumption. The British West Indies would then no longer produce a surplus which was constrained to be shipped to the continent, where the restrictions occasion such injury to the home market. Eventually their protecting duty would become positively beneficial in the same manner as that enjoyed by the agriculturists and the silk manufacturers. The object and merit of the plan is simply to allow the vacuum created in the refining trade for export, to be supplied by foreigners, under such conditions as will check their illegitimate means of production ; and thus, without making any injurious concession, benefit our colonial interests.

The bounty continuing, as at present, computed on the exportation of refined sugar, could not be alleged to give West India interests permanent assistance. It would cease to operate in their favour, so soon as the surplus came to be absorbed in the home consumption. Supposing that the

same effects attended a reduction of duty on sugar, as have taken place in respect to other articles, the surplus should all be absorbed within a few years. Should, however, the idea of a bounty, no matter how limited in quantity or confined to time, appear repugnant to any inquirer, we beg to make reference to the third Section of the last Chapter, where the policy of France was depicted, and also to the Section succeeding it, where the national effects of a bounty were described. If reflection be bestowed, it is possible that condemnation of this alleged antiquated expedient of commercial policy will be suspended.

In regard to the refiners, they would more than attain their object by the suggested measure, in consequence of the general extension of colonial commerce. They would be at liberty to refine foreign sugar for exportation to any extent they pleased; they would be on terms precisely similar to those of the refiners of Hamburgh and Bremen, and could avail themselves of their skill and capital of which they boast, to drive foreign competition from the field;—to use their own language, they would then compete with the foreigner on the banks of the Thames instead of the Elbe and the Weser. This competition will have lost its terrors to the West India planter, because the argument presumes that the reduction of duty will have made him quite independent of the foreign market. But the advantage derived by the refiner would not be con-

fined to his export trade. Demands from his customers at home will increase; as prices descended, from a reduction of duty, higher descriptions of quality would be used, and in many cases refined sugar would supply the place of muscovado.

The duty on East India sugar being fixed at 6*s.* higher duty than West India, with the rising scale limited to 10*s.*, could not fail to give satisfaction to all parties concerned in the commerce of that part of the empire. Considerable quantities of the lower descriptions of East India sugar could then be imported. By degrees, as the growing consumption of the empire would exceed the supply of the British West Indies, it would be made up by the use of East India sugar. We should thus still depend upon our own territories, and the entire duty being fixed at the outside at 10*s.* higher than on West India sugar, it would effectually prevent any unreasonable rise in the price of the latter.

Private traders might feel disappointed; and it is probable that the means selected to check the importation of Java sugar, or that of Cochin China, might add to that disappointment, though different motives might ostensibly be assigned in any remonstrances made to the British legislature on the subject. Influential constituents of Liverpool are prone to load their representative with statements descriptive of the disadvantages under which they labour in procuring remittances from India in return for their shipments of British manufactures. This

notion is delusive. If careful attention be paid to those principles which determine the extent of foreign commerce, it will appear that conclusions contained in elaborate disquisitions, published a few years since, respecting the balance of trade and foreign exchanges of Bengal, however applicable for a time, have not much to do permanently with the true causes which regulate the increase or decrease in the sale of British manufactures. Remittances from India will become more advantageous as the condition of her people improve.

But if the legislature deem it fit to extend the latitude for commerce to the private traders, it is to be accomplished by throwing open the China trade. Inclusive of this great branch of commerce, the value of the entire imports into Great Britain from the East, are infinitely beyond our exports of manufactures. Surely, therefore, if any difficulty exist at present in procuring remittances from India, the remedy is at hand, and can be supplied through China. Opposite the tea, which we import in such prodigious quantities, we have scarcely any sale in China for British manufactures. If India can take off these manufactures which China cannot, the natural and legitimate mode of balancing the European part of the commerce is to allow the exporter of manufactures to India to import in payment tea into England from China; and the local traffic in cotton from British India, and in tin and other productions of the Eastern Islands, which for ages

has subsisted amongst the different countries in the East, would soon cause the trade between India and China to balance and regulate itself.

This exposition must set aside the plea of the private trader, even if the premises were sound in his argument, that he found difficulty in procuring remittances.

It is sincerely believed, that under the suggested arrangement, shipments of sugar could be made sufficiently extensive to advance the real interests of British India, and to serve those purposes in freighting vessels, which are desired in consequence of the quantity of light goods which are shipped from that quarter.

In regard to the consumers at large, they would derive unqualified benefit from the suggested measure. They would purchase an extensive and most necessary article of commerce on cheaper terms, while, at the same time, the revenue sustained no diminution.

But why need we attempt to classify the consumers, or to consider their interest as separate or detached? Do not they constitute the nation, and must not they be benefited in whatever promotes the collective national industry?

It was for their welfare that British colonies were founded: it is for their welfare that they should be still preserved. Our advocacy rests not on the claims of the existing settlers. It is our hope that

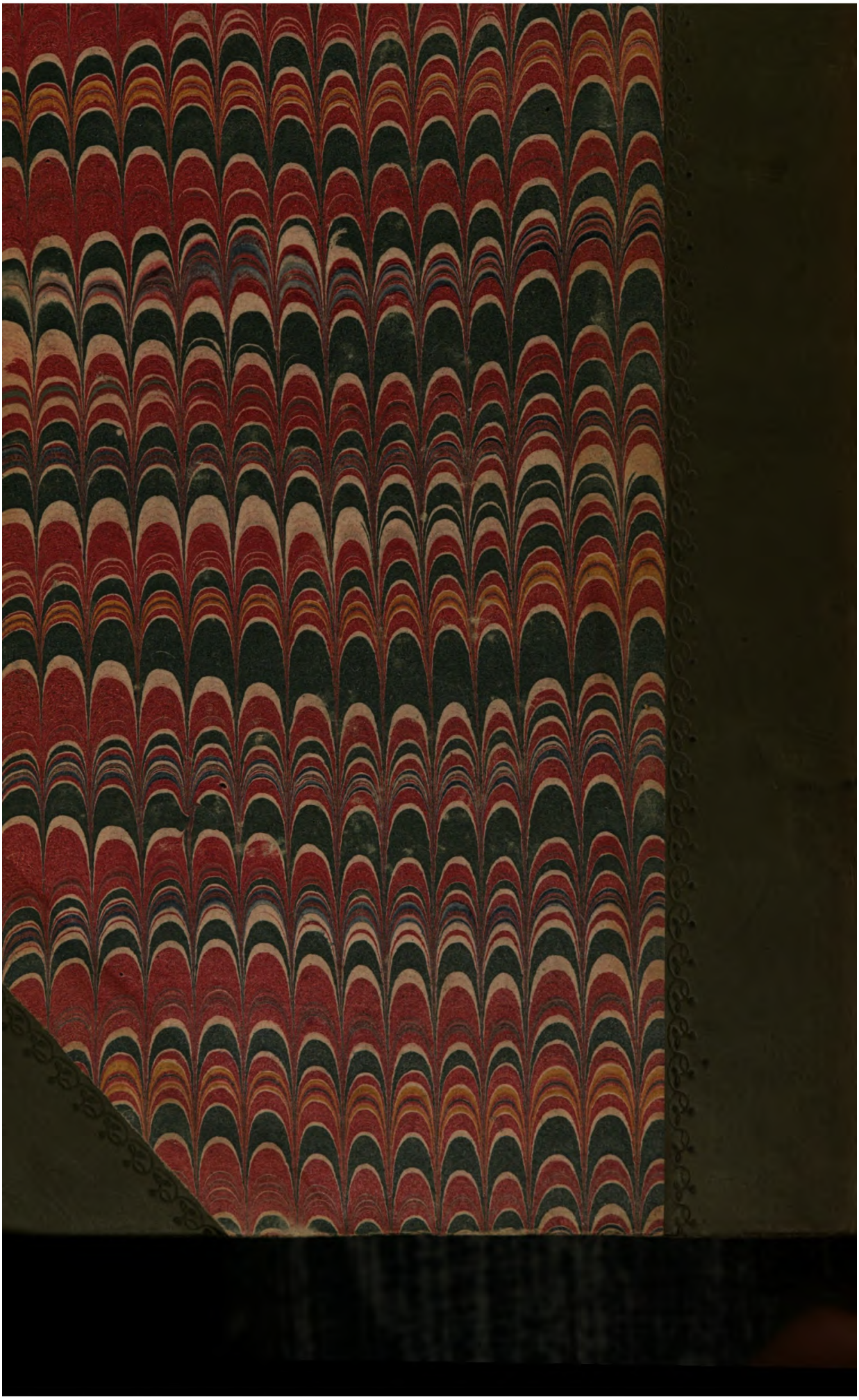
the sons of this island, now fully, if not redundantly, peopled, may still find an outlet for their enterprise; that they may travel to distant regions and continue to yield allegiance to their parent country, rather than employ their energies for the aggrandizement of a foreign state; that they may disseminate amongst a remote people our manners, arts, and institutions; that, having accomplished this great work, they may return to the bosom of their country, and, by the successful termination of their early hopes, inspire others to follow them in their auspicious career.

On more occasions than one the colonies have been the absolute salvation of this country. During the last war, when the whole world was arrayed in arms against us, never could we have furnished those resources which enabled us to bring the conflict to its victorious issue, without the aid of our distant possessions. They supplied the place of foreign commerce; they extended the domestic; and they served to raise our naval power to that matchless eminence which swept all opposition from the seas, and mainly contributed to our successes. Even when peace at length smiled upon us, the colonies did not fail to render us further services. In 1819, when the agricultural interest, and all branches of domestic industry, were distressed; when the very stability, the actual existence of our most cherished institutions were

endangered, the expenditure of colonial proprietors within the bosom of the state was beneficially felt; it contributed to give employment to otherwise destitute artisans, and to keep the vital spark of industry alive until the struggle had passed, and the nation recovered its pristine vigour. If colonies, in one prominent feature of their character, have thus animated, in a period of emergency, the domestic trade, in their other attribute, they have, in a more recent season of calamity, assisted the foreign commerce. But a short space back, when gloom and complete stagnation had succeeded to disastrous speculation, and foreign commerce for many months was virtually suspended, the colonial trade, amid the great convulsion, still continued unchanged. Its regularity, certainty, and security gave consolation to many a trader, who must have been utterly ruined had it not been for the great resource which was presented in the colonies—great, not only in itself, but from the multiplied branches of business which spring from those possessions, and depend upon them.

A change has now taken place. The colonies demand from the parent state some return for that assistance which, on their part, they have neither sparingly, nor unwillingly, bestowed. It is hoped that their appeal will not be lost upon the reflecting portion of the British people; upon

that spirit of intelligence which, though sometimes drowned amid the din of popular clamour, is never utterly extinguished, and sooner or later exerts its influence on the councils of the nation.

THE END.

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