

WOOLLENS BILL.

[Remarks of Mr. BUCHANAN, of Pa. before a County meeting at Lancaster, on the Woollens Bill.]

Mr. Chairman:—I never rose with more pleasure to address an assembly, than upon the present occasion. This meeting presents a spectacle which is the strongest illustration of the freedom and excellence of our institutions. You have called upon me, as your representative, to render you an account of my conduct, in regard to the Woollen Bill. To the people of this congressional district I hold myself responsible, and to them I shall therefore cheerfully answer. As your representative, I have no doubt often erred in judgment; but that I have ever intentionally abandoned the rights or the interests of my constituents, no person, I trust, within the sound of my voice, will for one moment believe. Such an abandonment of duty would, upon my part, be the basest ingratitude as well as the blackest guilt. I am bound to you by every tie which can bind man to his fellow men.

Friendly to the tariff policy as you know I am and ever have been, still reflection has only served more firmly to convince me of the propriety of my vote against the Woollen Bill. Before I proceed to state the reasons which induced me thus to vote, it will be proper to explain to the meeting the nature of its provisions.

Immediately after the organization of the federal government, congress, in the preamble to the act of 1789, recognized the policy of protecting domestic manufactures. Under that act, the duty upon the importation of woollen goods was fixed at five per cent. This duty has been increased, from time to time, until at length, by the tariff of 1824, it was raised from 25 to 33 1-3 per cent. This is the present nominal duty. The actual duty is greater, because in estimating it, you must add ten per cent to the cost of the article at the place from which it is imported, and calculate the duty upon the aggregate. Thus, if a yard of woollen cloth cost one dollar at Liverpool, you add to this ten per cent, which makes \$1 10. Thirty-three and one third per cent, upon that sum gives you the actual rate of duty, which is equal to 36 2-3 per cent. Every man in this country, who purchases a coat of imported cloth, pays a tax of 36 2-3 per cent, upon its original cost, for the benefit of domestic manufactures and of the public revenue. Thus stands the law at present.

At an early period of the last session of congress, many petitions were presented from New England, alleging that the tariff of 1824, had been evaded at our custom houses, and that the protection which it meant to extend to our woollen manufacturers, was not afforded. For this evil, the petitioners asked a remedy; and I never heard a member of congress express an opinion adverse to their petition. The language of one and all was, let the act of 1824, be fairly executed; if frauds against its provisions have been committed, let them be prevented & punished. The committee of domestic manufactures, instead of reporting a bill for this purpose, reported the Woollen Bill, which does not contain a solitary provision against the frauds upon the revenue of which the manufacturers complained.

This bill, nominally, did not increase the existing rate of duty. It was intended to produce its effect in a different manner. Instead of continuing to estimate woollen goods imported into this country, at their real value, it established four arbitrary standards. Thus, in assessing the duty under it, whenever the actual value of a square yard of woollen cloth, at the place whence imported, did not exceed 40 cents, it was valued at 40 cts.; when it exceeded 40 cents, and did not exceed \$1 50, it was valued at 1 50; when it exceeded 1 50, and did not exceed 2 50, it was valued at 2 50; and when it exceeded 2 50, and did not exceed \$4 00, it was valued at 4 00. The tariff of 1824, remained unchanged in regard to all cloth which cost \$4 00, or more, the square yard. These arbitrary standards of 40 cents, 1 50, 2 50, and \$4 00, were called minimums.

The nature of the Woollen Bill, will be best explained by a few examples, shewing the manner in which it would have operated.

What would have been the rate of duty to be paid under it, upon a square yard of cloth, worth 50 cents, at the place from which it was imported? In estimating the duty, you must assume the fact, that it was worth 1 50 instead of 50 cts. Add 10 per cent to 1 50 and the aggregate is 1 65. 33 1-3 per cent upon this sum, is equal to 55 cents. Thus it appears, that such a yard of cloth worth 50 cents, under this bill, had it become a law, would have paid a duty of 55 cents or 110 per cent. Under the law, as it now stands, it would pay a duty of 18 2-3 cents.

Under the Woollen Bill, a square yard of cloth, worth but 41 cents at the place whence imported, would have paid the same duty as though it had been worth 1 50. The principle of the bill was, the higher the price, between any two of the minimums, the lower the duty. A yard of cloth worth 41 cents, would have paid

a duty of 55 cents; but if the estimate of its value could have been reduced to 50 cents, the duty would only be 14 2-3 cents.

It may be called unfair in me, to put extreme cases under this Bill. What then would have been its operation upon the three intermediate prices, between the four minimums? They are 95 cents, \$2, and \$3 25. A square yard costing 95 cents, would pay a duty of 58 per cent; if it cost \$2, the duty would be 46 per cent, and if \$3 25; it would be 45. From 3 25, the duty would have gradually sunk, as the value of the cloth increased, until it arrived at 4, at which point it reached the old duty, and would have been free from the operation of the bill.

Having thus endeavored to explain the nature of the Woollen Bill, I shall now proceed to state to you, some of the reasons which compelled me to vote against it.

And, in the first place, had it become a law, it would have been a grievous tax upon the poor, for the benefit of domestic manufactures; but it would have imposed little, or no additional burden upon the rich. Whilst the poor man would have been compelled to pay a tax of 100 per cent upon the coarse cloth which he purchased to cover his nakedness and shield him from the wintry blast; the wealthy individual, who clothed himself with costly raiment, would have paid no more than the existing duty. Such a law would have been unequal and unjust. It would have violated the spirit of our republican institutions. I do not wish to play the demagogue upon this, or upon any other occasion. The poor man has no right to exclusive advantages, on account of his poverty. He ought to bear his share of the public burdens. He ought to be taxed, as he now is, in proportion to what he purchases. In this respect, he now stands on the same footing with the wealthy. All are now taxed by this equitable rule. I was willing to increase this burden for the benefit of the Woollen manufacturers, provided the bill had continued to tax all our citizens, in proportion to what they purchased.

It is necessary, that the duty upon the importation of foreign Woollens should be increased, in order that the protection may be afforded, which was intended by the Tariff of 1824. Since the passage of that law, the British Government have reduced the duty upon the importation of foreign wool, from 6d. to 1d. sterling per pound.

The decrease of duty upon the raw material, considerably diminishes the cost of the manufactured article. To that extent it enables the English manufacturer to enter into competition with the American manufacturer, in our market, upon terms more favourable than he could have done, immediately after the passage of the Tariff of 1824. The relative position of the parties has thus been changed, and the effect upon our manufacturers is the same, as though there had been a reduction of our duties.

Mr. Cook, of Illinois, made a motion, which was intended to increase the present rate of duty upon all imported woollens, to an extent sufficient to counteract this late British legislation upon the subject. This motion I advocated with all the ability in my power. The friends of the Woollen Bill, however, would not suffer its form to be changed. This motion was defeated, and I was compelled by a sense of duty, to vote against a Bill which would have extorted from poverty its hard earnings, whilst it suffered wealth to escape, without imposing on it any additional burden.

It has been said that a precedent exists in our legislation, for the unequal and unjust provisions of the woollen bill, in the mode by which the domestic manufacture of coarse cottons was protected. Even if that were the case, a dangerous and unjust precedent should not be followed. But there is no foundation for this assertion. In 1816, a single minimum of 25 cents the square yard was established in favor of domestic cottons, which was increased by the Tariff of 1824, to 30 cents. But one minimum exists with respect to cottons—the woollen bill proposed to establish four in regard to woollens. When the one cotton minimum was established, we had a sufficient supply of the raw material not only for ourselves, but for the world; at this time, when every effort is used to establish four woollen minimums, our country does not produce any thing like a supply of wool for the manufactures already in existence. If the friends of the woollen bill had been contented with the single minimum of 40 cents upon woollens, there might have been some resemblance between it and the cotton minimum; but even then the likeness would have been faint. As the Woollen Bill stood at the last session, no parallel can be drawn between them.

I shall now state a second reason for my opposition to this bill. Had it become a law, its tendency would have been to give the woollen manufacturers of the Eastern States a monopoly of the market of the whole Union. Pennsylvania would then have needed a Tariff against New England, as much as the United States now need a Tariff against Old England. It was said, in Congress that \$40,000,000 of capital had been in-

vested in the woollen manufactures of this country. But a small portion of this capital comparatively speaking exists out of New England. Even there, the greater part of it is confined within a narrow space. Much of the immense capital of Boston and Salem, has been diverted from commerce to the woollen manufacture. This branch of business is not conducted in New England as it is in Pennsylvania, by individuals; but large masses of wealth are concentrated, and applied to that purpose, by incorporated companies. In this state of the manufacture, prohibit, at once, the importation of a very large proportion of foreign woollens, as the Woollen Bill would have done, and what would be the inevitable consequence? In the East, they are already in possession of the capital. They already have large incorporated companies in operation. They could, at once have extended their machinery to meet the increased demand arising from prohibition; and in this manner they could, and they would have swallowed up most of the woollen manufactures throughout the rest of the Union. We are not yet prepared to contend against them. Our woollen manufactures could not sustain such a competition. The skill and the capital of individuals, in the middle states if this bill had become a law, must and would have been overwhelmed by the superior skill and the superior capital of the Eastern manufacturing companies. Is it not much better, then, to pursue our former policy, by gradually increasing the duties upon importation, for the purpose of protecting our manufactures, as they gradually arise, than to be hurried into a prohibitory system for which we are not prepared; a system, too, so unequal in its operation, that whilst it would have levied an oppressive tax from the pockets of the poor, would have left the law as it now is in regard to the rich.

If the woollen Bill had been confined to a protection merely, which would have operated equally upon all classes of society, I should have voted for it, even if I had believed that protection to be somewhat too great. No slight difference of opinion should have separated me from the friends of this bill. Under a system of protection, the woollen manufacture of Pennsylvania, yet, comparatively speaking, in its infancy, would have gradually grown into importance. In its present condition, prohibition would have destroyed it, whilst it enriched our great Eastern capitalists, who own the stock of the manufacturing companies.

Upon the present occasion, I shall not speak of the effect which prohibition might have had upon the public revenue, though this is a view of the subject not to be disregarded, as our national government is supported by the duties collected upon the importation of foreign merchandise.

I shall now proceed to give a third reason why I voted against the Woollen Bill. Had it afforded equal protection to the growers as well as manufacturers of wool, I should have felt much less hostile to its passage. Any measure intended for the benefit of Agriculture, I shall always view with a friendly eye. It is true, that but few of the small and valuable plantations of Lancaster, Chester, and Delaware, can ever be converted into sheep walks; but it is equally certain, that in the western part of our state many of the farmers have embarked largely in the growing of wool. They must, and ought to be protected. We are all members of the same political family, and should never forget the interest and happiness of each other. Did the Woollen Bill sufficiently protect the growers of wool? I answer confidently that it did not. In regard to them, it was a mere delusion. Indeed the manufacturers, at first, did not intend that any additional duty should be imposed upon the importation of foreign wool. To the ability and perseverance of a representative of this state, (Mr. Stevenson of Pittsburgh,) are we indebted, that any provision was made in the bill in favor of the growers of wool.

The additional duty upon woollens would have taken effect on the 1st August, 1827; whilst that upon the wool was not to commence until 1st June, 1828, nor to attain its maximum until 1st June, 1829. Although the growth of wool is in a state of equal depression with its manufacture, yet the wool grower was to suffer for nearly two years, after the manufacturer had been relieved. What would have been the effect of this provision? The manufacturers would have had sufficient time between the passage of the law and the commencement of the additional duty on foreign wool, to lay up a store of that article, sufficient to last them for years. That they intended to adopt this course, no man acquainted with the springs of human action, and the selfish feelings of our nature, can doubt for a moment. The relief, then which this bill intended to afford to the growers of wool would have been long deferred. Many of them might have been ruined, before they could have been protected.

But the relief which the second section of the bill purported to extend to them, would probably have been alto-

gether defeated by the provisions of the third. The second section established a minimum of 40 cents per pound for foreign wool, and finally would have raised the ad valorem duty from 30 to 46 per cent. The third section, however, permitted the importation of wool upon the skin, without establishing any minimum. I will not say that this provision was introduced for the purpose of defeating the protection which the second section afforded; and thus deluding the wool growers.—That it would have had this effect, however is almost certain. It is true that the people of Europe would not kill their sheep for the purpose of sending wool upon the skin to our markets; yet we know that immense numbers of them are annually slaughtered for other purposes. These fleeces would all seek our market, where they would find a most strange discriminating duty in their favor. In this manner a sufficient quantity of foreign wool might have been imported at the small additional duty of 10 per cent. to enter into competition with the domestic material, & to keep down its price. In this manner the hopes of the wool grower, from the Woollen Bill, would have been blasted.

There was another view of this subject which made a strong impression upon my mind; because it immediately interested my own constituents. The friends of the Woollen Bill uniformly resisted every attempt to afford additional protection to any other article, except wool and woollens. Our former tariffs rested upon broad national foundations. They embrace every article which required protection. The blessings and the burdens of the system were thus diffused over the Union. These examples, however, made no impression upon the friends of the Woollen Bill. In vain did we inform them, that the agricultural interest of the grain growing states, was in a suffering condition, and was as much depressed as the woollen manufactures of New England. In vain did we inform them, that for several years, the price of grain had been so low, as scarcely to afford the farmer a bare subsistence. They were deaf to all our complaints. Upon a proposition to impose an additional duty upon the importation of foreign spirits, not one representative from New England voted in the affirmative. I confess I was utterly astonished at this result.

Although every good man must deplore the excessive use of ardent spirits in this country, yet it is the clearest dictate of policy, if the article must be used that of domestic origin ought to be preferred. In proportion as you substitute the use of whiskey for foreign spirits, in the same proportion do you increase the demand and the price for the grain of the farmer. Most persons in this assembly will be astonished to hear, that we import annually between 5 and 6,000,000 of gallons of foreign spirits, which cost between two millions and two millions and a half of dollars. The total value of the flour which we exported from this country, even before we lost the British West India trade, did not exceed double the value of the spirits imported. If the use of whiskey were substituted throughout the U. States, for that of foreign spirits, it would open a market for the grain of our farmers, better than any foreign market in the world.

The tariff of 1824, which afforded additional protection to almost every other interest in the country, contained no provision in favor of the growers of grain.—It did not increase the duty upon foreign spirits. That duty now remains as it was established by the tariff of 1816.

The friends of the Woollen Bill, opposed with equal success, any increase of the duty upon foreign hemp. It is most strange, but it is not less true, that the American navy—our bulwark and our defence, is exclusively supplied with hemp from Russia. We are the most agricultural people upon earth, and yet we depend upon a foreign nation for the supply of an agricultural product, without which our navy could not exist. For many years it was believed, that the hemp of Russia was superior in quality to that of the United States. This delusion has vanished. It has been ascertained that the difference between the two articles is occasioned entirely by the different methods, in which they are prepared for market. The Russia hemp is water retted, the American hemp is dew retted. There is no country upon earth in which greater facilities are afforded for water retting hemp, than in Lancaster county. If its cultivation were encouraged by the government, the home demand would very soon be supplied with the domestic article; and thus the half million of dollars which is annually sent to Russia, would go into the pockets of our farmers.

We had a right to expect, that if our farmers should agree to pay a heavy additional duty upon all the woollen goods which they purchased, for the benefit of manufacturers, the manufacturers would not object to a small additional duty upon foreign hemp,—for the benefit of agriculture. We thought this was no more than a just reciprocity; but we found that the representatives of the eastern manufacturers were of a different opinion. A motion was made by myself, that

the Woollen Bill should be recommended to the committee on manufactures with instruction so to amend the same, as to make the duties on the importation of foreign woollen goods and foreign wool, commence at the same time; and to make the duties the same on foreign wool, whether imported upon the skin or not; also to increase the duty on the importation of foreign spirits not less than ten cents per gallon; also to increase the duty on the importation of foreign hemp not less than \$5 per ton.

No question was ever taken upon this motion. A member from New Hampshire rose and moved the previous question, which was sustained by the house and put an end to all amendment and to all debate. The vote was 102 to 98. Every representative from New England except one, voted for the previous question. Only eight of the representatives from Pennsylvania voted in favor of it, the remaining eighteen voting against it.

The friends of the Woollen Bill have often said, let us now protect wool and woollens, and afterwards we will protect other articles. I ask have we any reason to hope, that after we shall have afforded them the protection which they demand, they will assist us in obtaining additional duties for the benefit of the grain and hemp, and manufactures of Pennsylvania. If they will not now vote for an additional duty upon any of these articles, when they have so much at stake, will they generously and voluntarily give it to us, without any equivalent, after they have obtained all they desire? All our experience is at war with such a supposition.

I shall state but another reason, in justification of my conduct, and that is the frauds of the revenue to which the Woollen Bill must have given birth. Our frontier, both upon the ocean and upon the lakes, is so extensive, that there is great danger of smuggling. We should present as little temptation for the commission of this crime, as consists with a proper regard for our domestic manufactures. The unnecessary and extravagant duties imposed on particular classes of woollen goods, by the Woollen Bill, would probably have given rise to a system of smuggling. In this manner our revenue might have suffered, and the morals of our people might have been corrupted.

Frauds of another description must have sprung from this bill. A square yard of cloth costing 40 cents would have paid a duty of only 14 cents and 2-3—whilst if it had cost 41 cents it would have paid a duty of 55 cents. So a square yard which cost \$1 50, would have paid only 55 cents, whilst if it had cost \$1 51, it would have paid a duty of 91 cents and 2-3. One cent of difference in value at the minimums would have made an enormous increase of duty. The temptation to commit fraud upon the revenue, by perjury, would thus have been very great. No man ever would, if he could avoid it, have imported woollen goods into this country which should be valued at a price a little above any of the minimums. Every effort which self-interest could command, would have been used to reduce their value to the minimum price, or below it. A difference of one cent in the price might make a difference of 40 cents in the duty. Thus perjury and fraud must have been the natural growth of the Woollen Bill. If there had been but one minimum, as is the case with respect to cottons, no such temptation could ever exist. The minimum of thirty cents is the standard of value for the square yard of all cotton goods which cost less than that price; when you get above it the duty rises gradually in proportion to the value of the article. You do not at once leap to a second, to a third, and to a fourth minimum.

Such my fellow citizens, was the bill, against which I voted. So novel, so unequal, so undigested are its provisions, that I never heard a member of congress express entire satisfaction with its details. Indeed many doubted whether after the end of a few years, it would have been of much benefit to the woollen manufacturers themselves. Many believed that the English manufacturers would soon have accommodated their cloth to the minimums which is established, and thus have evaded the additional protection which it intended to afford. Upon the whole, so far from regretting that I did not vote for this bill, I feel sincerely sorry, that circumstances prevented me from opposing it in such a manner as I believed the duty which I owed to my constituents, demanded. I was in the chair, whilst the bill was in committee of the whole, and by the rules of the house, could not then either move to amend it, or participate in the debate.—Without meaning, in the slightest degree to reflect upon others, whose opinions were no doubt, equally honest with my own, I can declare in the most solemn manner before this meeting, that had I voted for the bill I should have done an act at war with my most solemn conviction of duty and with what I firmly believe to be the best interests of my constituents, and of my native state. Still it is possible I may have been mistaken; and to your candid judgment I shall now leave this subject.