



OXFORD JOURNALS  
OXFORD UNIVERSITY PRESS



---

The Tariff Issue on the Eve of the Civil War

Author(s): Richard Hofstadter

Source: *The American Historical Review*, Oct., 1938, Vol. 44, No. 1 (Oct., 1938), pp. 50-55

Published by: Oxford University Press on behalf of the American Historical Association

Stable URL: <https://www.jstor.org/stable/1840850>

---

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



JSTOR

Oxford University Press and American Historical Association are collaborating with JSTOR to digitize, preserve and extend access to *The American Historical Review*

## NOTES AND SUGGESTIONS

### THE TARIFF ISSUE ON THE EVE OF THE CIVIL WAR

ONE of the outstanding features of Dr. and Mrs. Charles A. Beard's interpretation of the Civil War is its emphasis upon the tariff as a causal factor. In *The Rise of American Civilization* they stress the enthusiasm shown for the tariff platform at the Republican convention in Chicago and the crucial role that the tariff played in the Pennsylvania and New Jersey elections.<sup>1</sup> There can be little doubt that the condition of the iron and coal industries, always a great power in Pennsylvania politics, influenced the Republican platform on the tariff. That platform carried the state for Lincoln, and the presence of Pennsylvania in the Republican column was necessary to his election. This raises the question whether Pennsylvania and its industries represented an attitude prevailing in the North.

The tariff of 1857 was the lowest tariff enacted by Congress since 1816. The attitude of manufacturers toward that bill should serve as an index of the vitality of the tariff issue in the North. The record reveals that outside of Pennsylvania Northern industry offered no serious opposition to reduction. On the contrary, the reductions were welcomed. This was not because manufacturers were reductionists in principle, but because political exigencies led them to seek lowered duties on raw materials as a substitute for direct protection. Thus we find Senator Wilson of Massachusetts declaring during the debates that in his state the "merchants, manufacturers, mechanics and business men in all the departments of a various industry . . . are for the reduction of the revenues to the actual wants of an economical administration of the government". He said that he had received a note from Samuel Lawrence, in which the latter declared that "a reduction of the revenue alone would save the country from a commercial crisis . . . and that the manufacturers of Massachusetts were prepared to share with other interests in the reduction which the exigencies of the country now impose upon the American people".<sup>2</sup> Sherman of Ohio later spoke of the tariff of 1857 as "the manufacturers' bill", a characterization which was also

<sup>1</sup> C. A. and M. R. Beard, *The Rise of American Civilization* (New York, 1933), II, 12, 31-40.

<sup>2</sup> *Congressional Globe*, 34 Cong., 3 sess., app., p. 344.

expressed at the time of its passage by Stanton of Ohio and Letcher of Virginia.<sup>3</sup>

Certainly the majority of votes from the manufacturing states (other than Pennsylvania) was not cast against the reductions in the Hunter amendment of 1857. The roll call in the Senate shows every vote from Massachusetts, Connecticut, and Rhode Island cast for the bill; New York split its vote, Fish standing for and Seward against; the only vote cast from New Hampshire was favorable. In the House the votes from Massachusetts, Connecticut, and Rhode Island were fourteen to one in favor of the measure. While Pennsylvania voted quite solidly against it, New York stood sixteen to eleven and New Jersey two to one in favor.<sup>4</sup>

Although the Hunter amendment, providing for a general reduction in all schedules, brought forth a sectional vote and a sectional controversy, the sections involved were not the North and the South. Nor was there a quarrel between manufactures and cotton. In the House all but three votes from the South, including Maryland, were in favor of reduction, but with this solid Southern front were allied the Northern states of Massachusetts, Connecticut, and Maine, and three fifths of New York. Outside of Pennsylvania the bulk of the opposition was drawn not from the manufacturing areas but from the agricultural and sheep-raising states of Vermont, Illinois, Ohio, Indiana, and Michigan. It was this alignment which led one Ohio representative to speak of "the coalition of extreme sections of the country against the Northwest".<sup>5</sup>

The real conflict in 1857 was between the woolen manufacturers and the wool growers, both of whom had been in bad straits since the tariff of 1846. During the decade following 1850 the domestic wool producer had steadily lost ground in the face of foreign competition; by 1860 two thirds of all the wool consumed in the country were foreign.<sup>6</sup> The House ways and means committee in 1856 had ascribed the depression in wool growing and woolen manufactures to the tariff of 1846, which had raised the duties on raw wools to thirty per cent ad valorem and reduced that on flannels and blankets to twenty per

<sup>3</sup> *Ibid.*, p. 589; 36 Cong., 1 sess., p. 2053; see also J. L. Bishop, *A History of American Manufactures* (Philadelphia, 1864), II, 427.

<sup>4</sup> *Cong. Globe*, 34 Cong., 3 sess., p. 971, and app., p. 358. No votes were cast from New Jersey. The absence of a reference to a pertinent state in the text indicates either the absence of votes or votes too small in number to serve as an index of its attitude.

<sup>5</sup> *Ibid.*, p. 749.

<sup>6</sup> W. C. Wright, *Wool Growers and the Tariff* (Boston, 1914), Harvard Economic Studies, V, 107-108.

cent.<sup>7</sup> Previously all wool priced at seven cents a pound or under had been taxed five per cent, and wools over seven cents had been taxed three cents a pound and thirty per cent. This increase in the cost of his raw material, as well as other factors unrelated to the tariff, had so handicapped the manufacturer that his extensive business in blankets and broadcloth had been destroyed. "The business was prostrated", the report declared, "by the premium which that act in effect offered to the foreign manufacturer, and the nominal protection of the wool grower resulted in the ruin of his business, as in that of the clothmaker. The home market was destroyed for the farmer; in the foreign he could not compete, and the flocks were sent to the slaughter because the woolen factories had been sold at auction or converted to other services." The wool growers would be crushed if raw wools were admitted free of duty, it was held, and seriously harmed as consumers if manufacturers were protected and increased their prices. On the other hand, if woolen goods were not protected, domestic manufactures would be ruined and the growers deprived of their only market. To meet this dilemma the committee advocated the exemption of all foreign wools costing less than fifteen and more than fifty cents a pound, the retention of duties on intermediate grades such as were produced at home, and the raising of duties on manufactures to adequate protection. The effect of this would be to lower the manufacturers' costs in those wools which did not compete with domestic production, protect their finished product from foreign competition, and compensate the wool growers by retaining the existing thirty per cent duties on competing foreign wools.<sup>8</sup>

A less satisfactory solution was set before the Senate in 1857 by Senator Hunter of Virginia in his amendment to the House revenue bill. The proposal to scale down duties on woolens from thirty to twenty-three per cent and on raw wool from thirty to eight per cent was strenuously resisted by Senator Pugh of Ohio, then the leading wool-growing state, and by Collamer of Vermont. It was charged that the disproportionate reduction was a scheme of woolen manufacturers in New England and New York to sacrifice the wool growers for their own aggrandizement. Wilson attempted to answer them by showing how seriously the tariff of 1846 had affected the woolen manufacturers; the making of finer woolens had all but ceased, he said, and thousands

<sup>7</sup> *U. S. Statutes at Large*, IX, 42-49.

<sup>8</sup> *House Report* no. 342, 34 Cong., 1 sess., pp. 21-24; Wright, pp. 110-12, 114; Edward Stanwood, *American Tariff Controversies in the Nineteenth Century* (Cambridge, 1923), II, 92-93.

of dollars had been invested and lost in the manufacture of coarser cloth. The only remedy was general reduction; in this the manufacturers were willing to share.<sup>9</sup>

Hunter's argument had been that if the wool growers needed protection that was a sure sign that they could not sell abroad. Therefore they needed the domestic market and were dependent upon the prosperity of home manufacturers; whatever would help the manufacturer would be to the interest of the wool grower in the long run.<sup>10</sup> The opposition, however, could not be convinced of the practicability of what they regarded as a plan to enable the sellers of wool to sell dear and the buyers to buy cheap. Collamer's amendment to strike out the provision including wool in the eight per cent schedule was passed by the Senate by a 26-23 vote. In order that this measure might be passed it was necessary to swing the votes of some of the reductionists in the Senate. It is interesting to note that this willingness to compromise came largely from the South, while the representatives of manufacturing constituencies were generally adamant. Of eighteen Southern senators who were to vote for the Hunter amendment, seven stood for the Collamer proposal, while only one of nine northeastern senators made the same concession. It was finally agreed to admit free of duty cheap wools costing twenty cents a pound or less, and to levy a tariff of twenty-four per cent on better wools, which were likely to compete with domestic produce.<sup>11</sup>

It is obvious why the manufacturers urged a general reduction. It was impossible to get direct protection because of the hostility of the South and the indifference of many interests in the North. They chose, therefore, to obtain a reduction in costs as a substitute for protection by scaling down the duties on their raw materials. This policy applied not only to wools but also to Manila hemp, flax, raw silk, lead, tin, brass, hides, linseed, and other articles. So eager were the woolen manufacturers to get the reductions that one concern in Lowell, Massachusetts, spent \$87,000 in promoting the passage of the bill.<sup>12</sup>

This explains the fact that manufacturers were not deeply averse to the raising of schedules after the South seceded. What is most significant with respect to the causation of the Civil War is the fact that there was no open hostility on this issue at the time between these manufacturers and the South that might have been exploited for a partisan purpose. Whatever latent hostility may have existed was kept from active expression by the admission of cheap raw wool free of

<sup>9</sup> *Cong. Globe*, 34 Cong., 3 sess., app., pp. 337-42.      <sup>10</sup> *Ibid.*, p. 330.

<sup>11</sup> *Ibid.*, p. 357; *U. S. Statutes at Large*, XI, 192-95.      <sup>12</sup> Stanwood, II, 109-10.

duty. Unsatisfactory as this was to the wool growers, it had the desired effect upon manufacturers. The industry revived, and Senator Hunter was later able to point triumphantly to the absence of a strong demand by manufacturers for a change in schedules.<sup>13</sup>

It was not such a demand which prompted the upward revision proposed by Morrill in 1860 and passed in 1861 after the first bloc of Southern states had seceded. The most important direct changes in the act, the increased duties on iron and wool, were plainly written with an eye on the coming elections, "to attach to the Republican party Pennsylvania and some of the western states".<sup>14</sup> In Pennsylvania the tariff issue did its work, but elsewhere manufacturers were aloof. Rice of Massachusetts declared that they asked for no additional protection; Sherman said that they had "asked over and over again to be let alone"; and Morrill himself admitted in later years that his tariff "was not asked for and but coldly welcomed by the manufacturers".<sup>15</sup>

In February, 1861, the Senate was petitioned by the Chamber of Commerce of New York not to pass the Morrill Bill. It was argued that it would seriously affect commerce and the revenue, and that the growing sentiment for its repeal would deter manufacturers from erecting new mills and buying new machinery. An equally important objection was that the passage of the bill would widen the existing breach between the North and the South.<sup>16</sup>

It is well known that commercial and financial capital in the North was, on the whole, strongly opposed to Lincoln's election.<sup>17</sup> Merchants were apprehensive that it might result in cancellation of orders from the South, and bankers expected the repudiation of Southern debts amounting to over \$200,000,000, if the South should secede.<sup>18</sup> The opposition press made a concerted effort to frighten business and financial interests. Merchants contributed so lavishly to the Fusion ticket in New York that Lincoln was disturbed.<sup>19</sup> When panic broke out in Wall Street during the latter days of October, the Republican press claimed that it had been fostered by heavy stock sales on the part

<sup>13</sup> *Cong. Globe*, 36 Cong., 1 sess., p. 3010.

<sup>14</sup> F. W. Taussig, *Tariff History of the United States* (New York, 1931), p. 169. See also W. B. Parker, *The Life and Public Services of J. S. Morrill* (Boston, 1924), p. 85.

<sup>15</sup> Taussig, p. 160, n. <sup>16</sup> *Senate Misc. Doc.* no. 18, 36 Cong., 2 sess.

<sup>17</sup> A. C. Cole, *The Irrepressible Conflict* (New York, 1934), pp. 279-84. H. Greeley, *The American Conflict* (Hartford, 1864), I, 326-27.

<sup>18</sup> A. C. Cole, "Lincoln's Election an Immediate Menace to Slavery in the States?" *Am. Hist. Rev.*, XXXVI (1931), 758-59.

<sup>19</sup> T. W. Barnes, *Memoir of Thurlow Weed* (Boston, 1884), II, 297-300.

of Fusionists and Southern bankers and stockjobbers. The *New York Daily Tribune* charged Secretary of the Treasury Cobb with complicity in the scheme on the ground that he withheld the sale of government loans.<sup>20</sup> After the election Horace Greeley complained of the intensity and unanimity of the "commercial furor" against the Republican party and compared it to that aroused by the bank controversy of 1832-38.<sup>21</sup>

The fears of the mercantile interests were shared by many manufacturers, whose concern for Southern markets was much greater than their interest in tariffs. Early in 1860 a group of Connecticut manufacturers had censured the spirit of sectionalism associated with the Republican party.<sup>22</sup> Manufacturers in Newark and New York City attempted to induce their workers to vote the Fusion ticket.<sup>23</sup> On the eve of the election the *New York Herald* reported that eleven hundred mill workers in one Connecticut town had been discharged because of a dearth of orders from the South.<sup>24</sup> When the election returns were in, one Newark paper, disappointed at the fact that New Jersey was the only free state which failed to cast its entire electoral vote for Lincoln, attributed this defection to the manufacturers, who "simply desire to know what would be gratifying to those Southern traders who seek to buy their principles with their goods".<sup>25</sup>

While Pennsylvania capital provided the dynamic element in the movement for a higher tariff, manufacturers elsewhere were divided. If the votes and statements of congressional representatives of manufacturing constituencies are conceived to have any close relation to their interests, the majority of the manufacturers appear to have desired reduction in 1857. The example of the woolen manufacturers offers a clue to the strategy of this group. Adversely affected by the tariff of 1846, they had the alternative of working for greater protection or lowering costs through reduced duties on their raw materials. In choosing the latter course, they chose to do parliamentary battle with the Western wool growers rather than the Southern planters. Their satisfaction with the effect of the tariff of 1857 left them indifferent, or actually hostile, to any further changes in 1860.

RICHARD HOFSTADTER.

*New York City.*

<sup>20</sup> Oct. 26, 1860; see also *Newark Daily Mercury*, Oct. 31, Nov. 3.

<sup>21</sup> *New York Daily Tribune*, Nov. 8. <sup>22</sup> Cole, *Irrepressible Conflict*, p. 280.

<sup>23</sup> *New York Daily Tribune*, Oct. 29; *New York Herald*, Oct. 31; *Newark Daily Mercury*, Nov. 1.

<sup>24</sup> Nov. 6. <sup>25</sup> *Newark Daily Mercury*, Nov. 9.