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SPEECH OF J. G. CHAPMAN,

In Defence of the Tariff of 1842,

Delivered in the House of Rep., August 1, 1846.

(CONCLUDED.)

As one cause for the reduction of prices upon protected articles, the Secretary states in his report that wages have generally diminished under the tariff. This is not so. It is impossible that it should be. There has been an increase in the demand for labor, and its employment has been uniform and progressive; and it is true, that the more it is wanted the more wages it will command. Wages cannot diminish under an increased demand, and when there is so much competition in the various pursuits of industry. No, sir, the reduction of the prices of protected articles is resolvable in the axiom that the supply is fully equal to the demand; and the producers must be content with receiving for the articles so abundantly supplied the mere cost of their production. I may be asked, sir, since labor in this country commands so much higher prices than in Europe, why is it that our products, the fruits of that labor, can be afforded at less cost than the foreign article? Or why do the fabrics of our country undersell those of Europe? And if they do, where the necessity of protection? Although this does not strictly belong to the point which I set out to discuss, I take leave to say a word on this subject. It would seem reasonable, sir, that the price of an article would be regulated by the price of the labor which is employed to produce it. And if there was no other interest employed or invested in its production, demand and supply being relatively equal, its price would depend upon the labor necessary for its production. But, sir, there are so many other circumstances entering into and forming the basis upon which the value and cost of production depends, that the price of the labor employed is only secondary. The capital invested is also to be remunerated, and the real estate, the machinery, the taxes to the government, are all to be considered, and the cost and charges of all these are to be entered as a part of the article, as well as the mere labor employed. I need not say that the difference in the amount of taxes in this country and in Europe, is one cause why our manufacturers can undersell those of Europe. There, and particularly in England, every thing is taxed—the land, houses, doors, windows, the very air that is breathed, the bread that feeds her half-starved population is taxed; and all those taxes must be paid by adding so much to the cost of the production of those articles with which we compete, free of all those taxes and exactions which are there so oppressive. The capitalist, or the landlord who pays the taxes, must add it on to the price of the article. Sir, there is another reason: here machinery has superseded human labor to a greater extent than it has in those countries possessing a redundant population. In France, particularly, human labor, which is cheaper than in England, is relied upon much in the place of horse-power machinery; and in some of the ancient gothic cathedrals and monasteries, which have been converted into factories, a strange spectacle is exhibited of human labor being employed to propel machinery; and the attention of the spectator is arrested by the noise and din attendant upon these operations—where no longer is heard the solemn chant of the matin and vesper anthem.

The certainty of a market, which protection affords, also creates confidence in business, and that very confidence invites investments. A larger supply is produced, and the producer, when he sells a greater amount, can sell at less profit, and realize more than by the sale of a less amount at greater prices.

But with the advantages which we possess of cheap living, low taxes, and improved machinery, combined with superior skill and energy in most of the mechanical and manufacturing employments, a certain market, at prices that will pay the cost of production, is necessary to insure competion and produce the supply sufficient to bring down prices to the mere cost of production. This can only be attained by permanence and protection. Withdraw it, and confidence is destroyed, the business declines, and the foreign capitalist and manufacturer may, at periods of a redundant market abroad, flood our country with their fabrics, which they may be compelled, for the time, to sell much below the cost of production, to the ruin of our citizens who are engaged in similar pursuits.

Profits on the investments in Manufactures.

But, say they, who oppose protection, the profits of the manufacturer are inordidate and enormous, and those large profits are paid by the consumer, by the farmer and planter, amounting to at least 20 per cent. upon the investment; while the investment of the agriculturist, particularly in other States where slave labor is employed, does not pay more than two or three per cent. Now, sir, I take leave to say, that there is, there must be, a mistake in such statements, and that those opinions, honestly entertained, I doubt not by many persons who are too ingenuous to make statements which they do not confide in, are founded in error, and are based upon the results of the skill, and enterprise, and industry, embarked in those manufacturing operations, and upon the profits derived from that combination, and not the profits upon the article manufactured. Let me illustrate this point by a case of ordinary occurrence. A man has a capital of $20,000; this he invests in some manufacturing establishment. He builds his mill, erects his dams, or fixtures for his motive power, and constructs his machinery adapted to the purpose and manufacture of the article which he intends to supply at the smallest cost, and which is to be thrown into the market to compete with other fabrics of a similar character. His establishment, for instance, is for the manufacture of woollens; all things being ready, his establishment having consumed his whole capital of 20,000, is ready for operation; but he has no money to purchase the stock wherewith to commence. He goes to New York, or Boston, or Baltimore, and there he makes an arrangement with a commission house to accept his bills, he sending on his fabrics as fast as they can be prepared for market. Thus fortified he purchases the farmer's wool and other necessary articles, and gives bills on the commission house, which are cashed. The cloths are made, sent in bales or packages to the commission merchant, and by him sold. This goes on, and is repeated with as much rapidity as human energy and skill, aided by the most improved machinery, will enable them; and it is wonderful, sir, to what perfection our enterprising countrymen are bringing every variety of machinery, and how every process is simplified, and its cost and expense diminished. At the end of the year there is a settlement, a reckoning between these partners—this manufacturer, and his commission house, his factor, broker, and banker; and it appears that the year's profits have been $5,000, twenty-five per cent. upon the $20,000 invested in the operation. This seems to be inordinate gain. But, sir, is it the profit upon the $20,000 investment alone? Oh, no, sir? To produce that $5,000—to make that 25 per cent. upon the $20,000 put into the establishment, $100,000 worth of goods have been manufactured and sold, only 5 per cent. upon the amount of sales has been realized; that is, the profit upon the investment—upon the labor employed—the money and credit used—the mind, the skill, the energy, the thought, the intellect that has been brought into the business, that has directed and controlled it; and this is a capital as worthy and deserving of credit as the world's mere dross, which is made the subject matter of barter and exchange. Does the law of the country give you remunerating interest for the outlay and loan of your money? Does it authorize a fair equivalent for the product of your labor—and shall it refuse to compensate you for the fruits of the mind's employment? Tell me not, sir, of the wisdom or justice of that system which affords protection to the wealth of the country, and withdraws it from the treasure of mind; which spreads its broad mantle over the property of its citizens, and withdraws it from, and leaves exposed, the fund of intellect and intelligence which gives force and vitality to, and puts into active employment, that moneyed capital which of itself is without value, but derives its sole importance and usefulness from the mind and intellect which directs it. No, sir; the skill, the ingenuity, the talent, and mind employed in any business, is as much the capital and as fully entitled to remuneration and protection, as that cash capital which is the basis of its operations; it is like the vital spirit which is contained in the human frame, and which gives to its functions its power and activity. That material substance which endures but for a day, is not to be preferred to the etherial essence upon which it depends, and whose existence is eternal.

Mr. Chairman, I have not entered into a discussion of the operation of the tariff of 1842, upon the coal interests of the country, or upon the development of the mineral wealth, in building up furnaces and forges for the manufacture of iron. The large interest which Maryland has in those two articles, representing as I do that interest in part, will excuse my devoting the remaining portion of the time allowed to the subject of coal and iron. There was imported last year, $9,043,399 worth of iron and its manufactures. Why is this necessary? Why are we to continue dependant upon Europe, and mainly upon Great Britain, for iron, when we have the material in such abundance lying useless and worthless in our mountains, and requiring only labor and capital, and the protection of the government, to make those mountains mines of untold gold. I will not enter into a comparison of the extent of our mines with those of Great Britain, or compare the facilities of working them. But, I may be permitted to say, that no country on earth possesses greater advantages for the manufacture of iron than this, greater abundance of coal and iron ore, or that which is more easily mined and converted into all the varieties of the manufactured article.

Now, sir, look at the progress which the manufacture of iron is making in Pennsylvania and Maryland.

In 1842, there were but four anthracite furnaces in operation in the whole country; there are now thirty-four in operation, and six or eight others in progress of erection, capable of manufacturing 116,000 tons of iron a year, which, at $25 or $30 per ton, would be $3,248,000. In 1842, there was not a single rolling mill for the manufacture of railroad iron in the United States; there are now five in active operation, and two others in course of construction; and if the tariff of 1842 had not been interrupted, we should have been able to supply all the railroad iron required in the United States, and at less prices than we paid for the foreign article in 1835 and 1836, when it was imported free of duty.

Sir, in Pennsylvania and New Jersey, there are about twenty-eight rolling mills for making iron from anthracite coal, fifteen of which have been erected since 1843. These rolling mills are capable of making about 120,000 tons of railroad, bar, and boiler iron a year, which, at $70 a ton, would amount to $8,400,000. The amount of iron now made in the United States a year is estimated to be from 35 to 40 millions.

There are several iron establishments in Maryland, one in my own district, owned and conducted by the Messrs. Ellicott, intelligent and enterprising gentlemen, who make pig iron from the ore in the neighborhood of their furnaces, which is converted into bar and other iron at the Elkridge forges. There is also a furnace in Worcester county, which makes pig iron from bog ore, and sends it in this state to the forges on the Delaware and other places to be manufactured.

But, sir, in Allegany county we are to look for the manufacture of iron, if encouragement and protection could be continued to the development of the resorces of the country. These large and extensive establishments, erected within a few years, are capable of supplying a great portion of the demand of the country for iron, as soon as the means of transportation can be afforded, which would soon be done if the system of 1842 was not interrupted. Maryland looks with anxiety to the finishing of the Chesapeake and Ohio Canal, to furnish the means of transporting her iron and coal to market. But, sir, that work cannot progress to completion, if your market is to be closed to her coal and iron productions, and a preference is to be given to the foreign article, as designed by your new revenue system.*

I shall devote the few minutes left to me to the subject of coal. Sir, in this mineral our country is rich—richer than any other; and if the protection afforded by the act of 1842 is continued a few years longer, we shall be able to supply the whole demand of the country at less prices than were paid before the protection was afforded. The coal field of Allegany is computed at about 300 square miles, and some of the principal strata are thus described:

"Near the level of the Potomac is a stratum of coal 8 feet thick. Immediately above it is a rich bed of iron ore, 20 feet thick. At a height of 100 feet is a coal bed of 5 feet thickness; and immediately above it is a stratum of fire clay. At a height of about 250 feet is a coal bed of 6 feet thick, and above it iron ore of 5 feet. From 300 to 400 feet is a space unexplored. At 500 feet height is a coal vein of 7 feet; at 600 feet, iron and coal. In the next 200 feet are several layers of coal and iron, but partially explored. At the height of 800 feet is the great vein of coal before described, here 17 feet in thickness; and shortly below it are balls of iron ore, and at 900 feet a coal vein of 4 feet in thickness.

*Since this speech was delivered, I have been informed that the Lonaconing iron works, in Allegany county, Maryland, have suspended operations. The hands who were employed there will seek employment no doubt at the Mount Savage works, in the same county. This must reduce the wages of those there employed.

I have also learned that the worthy and intelligent proprietors of the Patuxent forges have been compelled to reduce the wages of their hands fifty cents a day since the passage of the Secretary's tariff bill.

Mr. Shepherd estimates the quantity of coal within the limits of the estates of the above-named company, which embraces a tract of 20,000 acres, at about 100,000 tons an acre, making 2,000,000 000 tons, or, rejecting one-half for waste and to be reserved as pillars to support the roof in mining, an available quantity for use of a thousand millions of tons. He computes that, within the same limits, there are 1,936 millions of cubic yards of iron ore, which, when smelted, will produce as many tons of metallic iron.

There are within the same space large quantities of limestone, hydraulic lime, and fire clay. This estimate embraces the possessions of a single company, occupying not more than a sixth part of the known area of the coal field. All this is situated above the level of the principal tributaries of that river. The supply of coal and iron, therefore, may be safely assumed to be inexhaustible.

Professor Duchatel, by a different mode of calculation, after deducting about a fifth part of the area of the coal basin for those portions of it which are carried away in the formation of the valleys along the course of the various streams, and making a much larger allowance for unavailable portions of the strata, computes the remaining portion to be 86,847 acres, the average thickness of the available beds of coal at 45 feet, and that of the strata of iron ore at 15 feet. These data give the quantity of coal, 6,305,000,000 cubic yards, amounting to about that number of tons; and the quantity of iron ore 3,237,000,000 tons, or sufficient to produce 1,079,000 tons of crude iron.

This is a quantity more than equal to the present produce of the kingdom of Great Britain, continued for a period of five hundred years, without penetrating below the level of the Potomac river.—Here is but a part of the mineral wealth of Maryland, being not less than *six thousand three hundred and five millions one hundred and thirty-seven thousand two hundred and eighty-seven tons of coal, and one thousand and seventy-nine millions one hundred and ninety-one thousand seven hundred and fourteen tons of crude iron*—an amount inexhaustible in quantity and incalculable in amount of wealth.

And, sir, you are about to close up all those avenues of immense wealth. Will Maryland remain blind to her true interest, or yield to your destructive policy?

One of the principal articles upon which the wealth of England depends, has been coal. It is true, that in this article she has heretofore had no rival who could, to any extent, compete with her. Coal has been to England what steam power is to mechanics; it enters into all her operations. It warms her hearth, drives her spindles, keeps in motion her vast machinery, and gives life and activity to all her energies, great and momentous as they are. And where is her coal, and what are her facilities of supplying it, compared to ours?

The coal of England lies deep in the bowels of the earth, and it is dug out by men who have made for themselves the little dark world they live in; where they have been born and bred, and where their wives and their children live in total and interminable darkness; where there is neither sun, nor moon, nor stars, nor flowers of the field, nor breeze of summer, to gladden or cheer them. The coal beds of England are, as I have said, buried deep under the earth; they are far out of sight, and their extent is a problem and a mystery; and yet, the sturdy Briton treads the surface with as high a head, and as proud a step, as if her glory and her coal were to last forever.

Turn your eyes to your country, to Pennsylvania, to my own State; where nature has piled up in the mountains of Allegany wealth in uncounted millions; it lies there all above the surface, inviting you to come and carry it away; and yet, sir, you would deny that protection to your own citizens which, so far, since it has been extended to them, has enabled them to supply so large a portion of the demand of this mineral at less cost than the foreign article of lesser value commanded before this protection was afforded. The true and beneficial operation of the protective policy is in no article better exemplified and illustrated than by the effect upon the coal trade of the country, and the supplies which our own country have yielded.

Prices of Coal.

Under the compromise act, when the lower duties consequent upon the graduating scale of reduction began to be felt, the importation of foreign coal ran up in 1837 to 153,000 tons, from about 50,000 in 1835, and in 1839 to 181,000 tons, while the consumption of the domestic article in the same period diminished. Look now at the immense increase of the domestic article since 1842, and the consequent diminution of the importation of foreign coal. Here is a table of foreign and domestic coal, compiled from official documents. It shows an increase in the last two years of 758-000 tons of American anthracite coal. So much for home protection.

FOREIGN COAL TRADE.—The following is the quantity of coal imported into this country from June 30th, 1821, to June 30th, 1845, both years inclusive, in tons of 28 bushels, obtained from the official documents at Washington, together with the quantity of anthracite sent to market annually during the same period.

Years.	Foreign Coal.	Anthracite Coal.
1820		365
1821	22,122	1,073
1822	34,523	2,240
1823	30,422	5,823
1824	7,228	9,541
1825	25,645	33,699
1826	35,665	48,115
1827	40,257	61,567
1828	32,302	77,413
1829	45,393	110,403
1830	58,136	174,737
1831	36,589	176,820
1832	72,978	368,871
1833	92,432	485,365
1834	71,626	376,636
1835	49,969	556,835
1836	108,432	696,526
1837	153,450	874,539
1838	120,083	723,836
1839	181,521	817,659
1840	162,867	865,414
1841	155,394	956,566
1842	141,521	1,108,001
1843	41,163	1,263,539
1844	87,073	1,631,669
1845	82,776	2,021,674

This is the amount of anthracite coal from the coal region of Schylkill, in Pennsylvania. The consumption of bituminous coal from western Pennsylvania, Virginia, Ohio, and other places, may be equal to the anthracite. The tariff of 1842 has acted like magic upon this article, and upon the region of country which supplies it. Railroads are being built, towns and villages spring up as if by enchantment, and the coal region of Pennsylvania has been converted from an almost hopeless state of bankruptcy and ruin to one of unparalleled prosperity. The country is teeming with riches and wealth, the people are prosperous and happy.

Let us see what has been the effect upon the prices of coal in the different markets:

	Philadelphia. Wholesale.		*N. York.* Retail.	*Boston.* Retail.
1839 per ton	$5 50	average	$8 00	$9 to 10 00
1840 "	5 50	"	8 00	9 to 11 00
1841 "	5 00	"	7 75	8 to 9 00
1842 "	4 25	"	6 50	6 to 6 50
1843 "	3 50	"	5 75	6 to 6 50
1844 "	3 37	"	5 50	6 to 6 50
1845 "	3 50	"	5 00	6 to 6 50

but twice the amount of the duty on foreign coal.

While protection has increased the supply and consumption of American coal almost 100 per cent., it has enabled the miner to furnish it at 50 per cent. less cost to the consumer, while the entire country feels the benefit and influence, and that influence is more sensibly felt by the laboring community, and the agriculturist in the neighboring regions.

Sir, the whole country has been advancing in prosperity, and wealth, and happiness; every interest, every branch of industry, is and has been improving, and now this whole state of things is to be broken up; this prosperity is to be arrested. The tide and current of improvement is to be turned back again. What good will this change operate? Sir, it will result in a ruined commerce, deranged currency, and insufficient revenue. Manufactures will be lessened, business will decline, and hundreds, now in active and profitable employment, will be discharged; wages of labor must be reduced, or manufacturers cease their operations, if a preference is to be given to foreign goods. What good is to grow out of this repeal? Is the Government to be benefited, or the interest of the country to be advanced by this change? Will the revenue be increased to enable the President to carry on his war of conquest and aggression? Will the prices of all necessary commodities be lessened? Will the laboring classes receive higher wages, or a better market be afforded for the agricultural products of the country? Upon this Administration, and upon the party in power, be the responsibility, and the country and the world will hold them to the account. Think not, sir, that the people are to be blinded; they will understand their true interests; the light will be shown to them; it will be shed abroad in every hamlet; it will spread over every field; it will reach every workshop; it will blaze upon the smith's anvil as he plies his hammer; the [illegible] man as he turns the furrow [illegible] upon th[illegible]fluence of the [illegible] secured [illegible] market for [illegible] and gave [illegible] not fail to see the hand that struck the blow.

The course of industry is not long to be perverted or arrested; the intelligence of this people is not long to be blinded; the mind of the country is on the march of inquiry after its true interests, and it will not be restrained by the operation of party management; a revolution, sure and progressive, is moving over public opinion, and the people of this nation will speak in 1848 their feelings on this subject in tones not to be misunderstood or disregarded.

Important if Authentic.

Rumored Advance of 15,000 *Mexicans.* The New Orleans Delta, of the 28th ult. contains the following statement:

"We have been informed that one of the U. S. officers who arrived yesterday from Gen. Taylor's camp, on board the steamship Alabama, is bearer of important despatches to our government. We learn, on what we believe to be reliable authority, that accounts had been received by Gen. Taylor, previous to the sailing of the Alabama, informing him that Gen. Paredes, at the head of 15,000 men, was approaching Saltillo on the 15th. It is supposed that these despatches relate to this unexpected move of the Mexican forces. It was reported at the Brazos that Gen. Santa Ana had been made prisoner by Com. Conner."

The Picayune of the 28th also remarks:

"By the next arrival from the army, we may look for news of more stirring importance than any we have received thence since the capture of Matamoras. We have no doubt that Gen. Taylor is now moving his columns upon Monterey, and the intelligence from that quarter indicates that the reduction of the city will be obstinately contested. Recent arrivals from the mountains report a large force concentrated in and about Monterey, consisting of a goodly portion of regular troops. Unless these rumors be greatly exaggerated, fresh fields of glory are ripening for the sword. What effect the late revolution in Mexico will have upon the soldiery in the Northern Provinces remains to be seen. These forces must have been collected as a part of the army Paredes designed to take command of. They have been concentrated at Monterey within a few weeks, as shortly after the U. S. army crossed the Rio Grande spies sent into the interior reported no troops this side of the mountains."

The Tariff and Locofocos in Pennsylvania.

The Hon. Findley Patterson has been nominated by the Locofocos of Armstrong, Butler, Clearfield and Indiana, Pa., as their candidate for Congress. The meeting thus expressed its opinions:

Resolved, That we are opposed to the repeal of the tariff act of 1842, and are in favor of such a tariff as will afford ample protection to the great interests of our land.

Resolved, That we disapprove of the course of the General Administration in *relation to the tariff of* 1842, and believe that the timely aid rendered by the old Keystone State in 1844, should have entitled her interests to more favorable consideration from that quarter.

Resolved, That *George M. Dallas*, by his vote in favor of McKay's bill, has forfeited all claims to further patronage from the old Commonwealth that gave him "birth, life, and station."

Resolved, That we approve of the State administration, and believe that in the person of FRANCIS R. SHUNK we have an able, efficient and honest man at the helm of our State.

Resolved, That the course pursued by the Senators and members of Congress from this State in supporting the tariff bill of 1842, entitles them to our grateful thanks.

Resolved, That we will not support any man hereafter for *President*, Congress or any other representative office who is not a protective tariff man in deed as well as word.

Resolved, That in the person of Findley Patterson, our candidate for Congress, we recognize an able, efficient and firm friend to the protective policy, and one who will stand by it in the hour of danger, as well as in the hour of prosperity; and that the members of this convention pledge themselves to use all honorable means to promote his election.

WORKINGS OF THE NEW TARIFF.—Even before we expected the new tariff is beginning to produce its evil effects. The New York Tribune of yesterday, publishes the following letter:

To the Editor of the Tribune:

Sir: Fourteen Calico-printers from Robeson's Print Works at Fall River and Providence, R. I., have already left for [illegible]ope to obtain work. As I am ac[illegible]nted with them I can vouch for the [illegible]e statement. WM. WILCOX.

Print Block Cutter, Pearl st,
[illegible]w York, Aug. 28, 1846.

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