

11-3 Speech on the Tariff (March 30–31, 1824)

Henry Clay

A native of Virginia, Henry Clay (1777–1852) migrated to Kentucky, where he established himself as a substantial slaveholding planter and lawyer. A strong nationalist and war hawk, Clay won election to the House of Representatives in 1810 and became Speaker the following year. A candidate for president in 1824, Clay advocated what he called the “American System” (see text pp. 318–321) and later played a leading role in building the Whig opposition to Andrew Jackson.

Clay’s American System envisioned an integrated national economy in which a protective tariff would encourage domestic manufacturing while it generated revenues to support federally financed harbors, canals, and other major internal improvements. Clay was largely successful in his immediate aim: the Tariff of 1824, raising rates, passed. But his larger goal of harnessing the federal government to the development of the national economy fell victim to sectional rivalry and to a democratic critique of the special privilege enjoyed by established elites in the mainstream of economic development.

In the following excerpts from Clay’s two-day-long speech of March 1824 in the House of Representatives, he explains why he believes it would be in the nation’s interest to impose a tariff on imports to protect domestic manufacturing.

Source: Annals of the Congress of the United States, 1789–1824 (Washington, D.C.: U.S. Government Printing Office), 18th Cong., 1st sess. (1824), 1962–2001.

And what is this tariff? It seems to have been regarded as a sort of monster, huge and deformed; a wild beast, endowed with tremendous powers of destruction, about to be let loose among our people, if not to devour them, at least to consume their substance. But let us calm our passions, and deliberately survey this alarming, this terrific being. The sole object of the tariff is to tax the produce of foreign industry, with the view of promoting American industry. The tax is exclusively levelled at foreign industry. . . .

It has been treated as an imposition of burthens upon one part of the community by design for the benefit of another; as if, in fact, money were taken from the pockets of one portion of the people and put into the pockets of another. But, is that a fair representation of it? No man pays the duty assessed on the foreign article by compulsion, but voluntarily; and this voluntary duty, if paid, goes into the common exchequer, for the common benefit of all. . . . According to the opponents of the domestic policy, the proposed system will force capital and labor into new and reluctant employments; we are not prepared, in consequence of the high price of wages, for the successful establishment of manufactures, and we must fail in the experiment. We have seen that the existing occupations of our society, those of agriculture, commerce, navigation, and the learned professions, are overflowing with competitors, and that the want of employment is severely felt. Now what does this bill propose? To open a new and extensive field of business, in which all that choose may enter. There is no compulsion upon any one to engage in it. An option only is given to industry, to continue in the present unprofitable pursuits, or to embark in a new and promising one. The effect will be to lessen the competition in the old branches of business and to multiply our resources for in-

creasing our comforts and augmenting the national wealth. The alleged fact of the high price of wages is not admitted. The truth is, that no class of society suffers more, in the present stagnation of business, than the laboring class. That is a necessary effect of the depression of agriculture, the principal business of the community. The wages of able-bodied men vary from five to eight dollars per month; and such has been the want of employment, in some parts of the Union, that instances have not been unfrequent, of men working merely for the means of present subsistence. . . . We are now, and ever will be, essentially, an agricultural people. Without a material change in the fixed habits of the country, the friends of this measure desire to draw to it, as a powerful auxiliary to its industry, the manufacturing arts. The difference between a nation with, and without the arts, may be conceived, by the difference between a keel-boat and a steam-boat, combatting the rapid torrent of the Mississippi. How slow does the former ascend, hugging the sinuosities of the shore, pushed on by her hardy and exposed crew, now throwing themselves in vigorous concert on their oars, and then seizing the pendant boughs of over-hanging trees: she seems hardly to move; and her scanty cargo is scarcely worth the transportation! With what ease is she not passed by the steam-boat, laden with the riches of all quarters of the world, with a crowd of gay, cheerful, and protected passengers, now dashing into the midst of the current, or gliding through the eddies near the shore. . . . The adoption of the restrictive system, on the part of the United States, by excluding the produce of foreign labor, would extend the consumption of American produce, unable, in the infancy and unprotected state of the arts, to sustain a competition with foreign fabrics. Let our arts breathe under the shade of protection; let them be perfected as they

are in England, and we shall then be ready, as England now is said to be, to put aside protection, and to enter upon the freest exchanges. . . .

Other and animating considerations invite us to adopt the policy of this system. Its importance, in connexion with the general defence in time of war, cannot fail to be duly estimated. Need I recal [*sic*] to our painful recollection the sufferings, for the want of an adequate supply of absolute necessities, to which the defenders of their country's rights and our entire population were subjected during the late war [the War of 1812]? Or to remind the committee of the great advantage of a steady and unfailing source of supply, unaffected alike in war and in peace? Its importance, in reference to the stability of our Union, that paramount and greatest of all our interests, cannot fail warmly to recommend it, or at least to conciliate the forbearance of every patriot bosom. Now our people present the spectacle of a vast assemblage of jealous rivals, all eagerly rushing to the sea-board, jostling each other in their way, to hurry off to glutted foreign markets the perishable produce of their labor. The tendency of that policy, in conformity to which this bill is prepared, is to transform these competitors into friends and mutual customers; and, by the reciprocal exchanges of their respective

productions, to place the confederacy upon the most solid of all foundations, the basis of common interest. . . .

Even if the benefits of the policy were limited to certain sections of our country, would it not be satisfactory to behold American industry, wherever situated, active, animated, and thrifty, rather than persevere in a course which renders us subservient to foreign industry? But these benefits are twofold, direct, and collateral, and in the one shape or the other, they will diffuse themselves throughout the Union. All parts of the Union will participate, more or less, in both. As to the direct benefit, it is probable that the North and the East will enjoy the largest share. But the West and the South will also participate in them. . . . And where the direct benefit does not accrue, that will be enjoyed of supplying the raw material and provisions for the consumption of artisans. . . . I appeal to the South—to the high-minded, generous, and patriotic South—with which I have so often co-operated. . . . Of what does it complain? A possible temporary enhancement [i.e., price increase] in the objects of consumption. Of what do we complain? A total incapacity, produced by the foreign policy, to purchase, at any price, necessary foreign objects of consumption. In such an alternative, inconvenient only to it, ruinous to us, can we expect too much from Southern magnanimity?

Questions

1. How does Clay explain the importance to an agricultural nation of the “manufacturing arts”?
2. According to Clay, how would a protective tariff promote a “common interest” across the nation?
3. How did Clay answer the South’s complaint that the benefits of the tariff went primarily to the manufacturing sector in the Northeast?

Questions for Further Thought

1. Kent (Document 11-1) and Clay (Document 11-3) were both responding to the rising importance of manufactures in the United States. Based on these documents, what were the political implications of that impact?
2. Are Clay’s ideas on the benefits of an industrial society consistent with Tocqueville’s argument expressed in Document 10-9?
3. Both Kent and Tocqueville discuss the dangers of a tyranny of the majority that could directly or indirectly evolve from increased popular participation in politics. Today the United States guarantees universal suffrage for all citizens over age eighteen. Has a tyranny of the majority developed in modern politics? Why or why not?

The Jacksonian Presidency, 1829–1837

Andrew Jackson entered the White House in 1829 determined to reverse what he saw as a dangerous alliance of federal government power with the forces of special privilege. An advocate of limited government, he sought to block enactment of Henry Clay’s American

System and to dismantle those elements of it (protective tariffs, the Bank of the United States) that were already in place. Yet in order to achieve his goals, he had to take a traditionally weak office and expand its power. Jackson used his control of federal patronage to build a strong party organization loyal to him. He pressed for tariff reduction; when South Carolina denied the right of the federal government to collect tariffs within the state (Document 11-6), he firmly asserted the supremacy of the federal government and his right to use military force against a state to enforce federal law. Above all, Jackson went to war with the Second Bank of the United States, which he and his followers regarded as a grant of extensive public powers to a small, well-heeled band of eastern capitalists, who in turn used it for their own self-interest rather than the public good (Document 11-4; compare Document 7-3). Although his goals were similar to those of Jefferson, he pursued them by means that greatly (and, to some, dangerously) extended executive power; he vetoed the proposed rechartering of the Bank, and after his triumphant reelection in 1832, withdrew federal deposits from the Bank in defiance of Congress.

Jackson also moved to accelerate the removal of the remaining Indian peoples east of the Mississippi to new "Indian Territories" far to the west. In the South, states were seeking to extend their authority over territory held by the so-called Five Civilized Tribes (the Cherokee, Chickasaw, Choctaw, Creek, and Seminole), who insisted instead that they were sovereign peoples. Jackson sided with his white constituents and their insistence on states' rights against even the Cherokee, who had developed a sophisticated government and literature (Document 11-5). In 1830 he obtained passage of the Indian Removal Act, and he began to use both cajolery and military force to drive Indian tribes westward—a process that culminated after his administration in the infamous Trail of Tears.

11-4 Bank Veto Message (1832)

Andrew Jackson

The first Bank of the United States had been established at the behest of President Washington's treasury secretary, Alexander Hamilton, and was rechartered for a twenty-year period in 1816 during the Era of Good Feeling. The bank had become a political issue after the Panic of 1819, when the question of the country's monetary policy suddenly became associated with financial collapse and economic depression. The bank issue had for some years generated factional political divisions at the state level, and Jackson entered the presidency opposed to the existing structure and policies of the Second Bank of the United States. He also found himself in an intense personal struggle with the bank's president, Nicholas Biddle. When Congress approved an extended charter for Biddle's bank, Jackson vetoed the legislation (see text p. 324). Jackson made his veto message the opening shot in a campaign to destroy the bank, a war that became the defining event of his presidency (see text p. 325). In the following extracts from his veto message, Jackson explains why he viewed the Bank as an undemocratic concentration of economic power and a threat to the republic.

Source: James D. Richardson, ed., *A Compilation of the Message and Papers of the Presidents* (Washington, D.C.: U.S. Government Printing Office, 1896–1899), 2:576–591.

The bill "to modify and continue" the act entitled "An act to incorporate the subscribers to the Bank of the United States" was presented to me on the 4th July instant. Having considered it with that solemn regard to the principles of the Constitution which the day was calculated to inspire, and come to the conclusion that it ought not to become a law, I here-

with return it to the Senate, in which it originated, with my objections.

A bank of the United States is in many respects convenient for the Government and useful to the people. Entertaining this opinion, and deeply impressed with the belief that some of the powers and privileges possessed by the

existing bank are unauthorized by the Constitution, subversive of the rights of the States, and dangerous to the liberties of the people, I felt it my duty at an early period of my Administration to call the attention of Congress to the practicability of organizing an institution combining all its advantages and obviating these objections. I sincerely regret that in the act before me I can perceive none of these modifications of the bank charter which are necessary, in my opinion, to make it compatible with justice, with sound policy, or with the Constitution of our country. . . .

But this act does not permit competition in the purchase of this monopoly [the bank]. It seems to be predicated on the erroneous idea that the present stockholders have a prescriptive right not only to the favor but to the bounty of Government. It appears that more than a fourth part of the stock is held by foreigners and the residue is held by a few hundred of our own citizens, chiefly of the richest class. For their benefit does this act exclude the whole American people from competition in the purchase of this monopoly and dispose of it for many millions less than it is worth. This seems the less excusable because some of our citizens not now stockholders petitioned that the door of competition might be opened, and offered to take a charter on terms much more favorable to the Government and country. . . .

It is to be regretted that the rich and powerful too often bend the acts of government to their selfish purposes. Distinctions in society will always exist under every just government. Equality of talents, of education, or of wealth can not be produced by human institutions. In the full enjoyment of the gifts of Heaven and the fruits of superior indus-

try, economy, and virtue, every man is equally entitled to protection by law; but when the laws undertake to add to these natural and just advantages artificial distinction, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society—the farmers, mechanics, and laborers—who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their Government. There are no necessary evils in government. Its evils exist only in its abuses. If it would confine itself to equal protection, and, as Heaven does its rains, shower its favors alike on the high and the low, the rich and the poor, it would be an unqualified blessing. In the act before me there seems to be a wide and unnecessary departure from these just principles. . . .

Many of our rich men have not been content with equal protection and equal benefits, but have besought us to make them richer by act of Congress. By attempting to gratify their desires we have in the results of our legislation arrayed section against section, interest against interest, and man against man, in a fearful commotion which threatens to shake the foundations of our Union. If we can not at once, in justice to interests vested under improvident legislation, make our Government what it ought to be, we can at least take a stand against all new grants of monopolies and exclusive privileges, against any prostitution of our Government to the advancement of the few at the expense of the many, and in favor of compromise and gradual reform in our code of laws and system of political economy.

Questions

1. In his veto message, Jackson did not question the ability of the bank to regulate currency and credit. What public policy objectives does his message attempt to advance?
 2. Despite the Supreme Court's decision in *McCulloch v. Maryland* (1819), Jackson insisted in his veto message that some of the "powers and privileges possessed by the existing bank are unauthorized by the Constitution." What reasons does he give for that judgment?
 3. What did the "humbler members of society" rightly complain about, in Jackson's view?
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11-5 On Indian Removal (1829)

Andrew Jackson and Elias Boudinot

In 1829, in his first annual message (what we now call the State of the Union Address, but in those days not delivered as a speech), President Jackson, alluding to the conflict between the Cherokee and the states of Georgia and Alabama, used the occasion to present his broader views about the "Indian problem" and its solution. Earlier in 1829, when Jackson and his secretary of war, John Eaton, had announced their position on the issue