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THE United States of America from its earliest days has generally subscribed to a belief in the private ownership of property and the freedom of private endeavour. Until the aftermath of the Civil War, the former belief included the owning of and trading in slaves; the latter belief has been characterised by a long history of protection and the growth of trusts and cartels, with periodic outbursts of hostility against foreign imports. A free trade Britain was often cited as being as good a reason as any for American protectionism. Prior to the Civil War, there existed a deep division between the Northern and Southern states regarding free trade. The agricultural South with its slave labour favoured free trade, whereby raw materials and agricultural produce might be exported in exchange for manufactured products from an expanding industrial Britain in particular. Such a policy incurred the wrath and hostility of the industrial North. These mutually hostile interests which existed between the supporters of free trade and those favouring protectionism, led to threats by the South of secession, the issue of slavery, though peripheral to the main issue, adding fuel to the disenchantment and bitterness which was festering between the two parts of the less than a hundred-year-old democratic Union. Not only was political stability under immense strain in a nation "half-free and half-slave", the inevitable incompatibility between protectionist and free-trade sentiment ran deep, the final breach leading to a civil war which lasted from April 12 1861 to April 9 1865, in which 600,000 lives were lost out of a total population of around 32 million; as an indirect result of the war, it has been estimated that the loss of population was as high as 2.5 million. The protectionist North won, and for good or bad, the foundations of modern America were established. It being an ill wind that blows nobody any good, in 1863 an Emancipation Proclamation abolished slavery, the Union was saved, and with it the establishment of a protectionist policy which has too often been the cornerstone of American domestic economic policy. Lincoln admitted that if the preservation of the Union meant tolerating slavery, he would readily have accepted its continued existence. Great man that he was, he remained a protectionist at heart—not for personal aggrandisement, but rather out of ignorance of economic law. A great reconciler, he paid with his life by pursuing a policy of chivalry towards the defeated Southerner. His heirs were less benevolent men.

Prior to the Civil War, the issue of free trade versus protection bothered a number of wise and erudite minds at the heart of American politics. One man in particular who held strong views on the issue of minority rights as they were affected by the issue of tariff protection, was Judge Joseph Story (1779-1845), a member of the U.S. Supreme Court, who, in 1820 said: ". . . if we are unwilling to receive foreign manufactures, we cannot reasonably suppose that foreign nations will receive our raw materials . . . We cannot force them to become buyers when they are not sellers, or to consume our cotton when they cannot pay the price in their own fabrics." In a letter to Lord Stowell during the same year he expressed the fear that, "We are beginning also to become a manufacturing nation; but I am not much pleased, I am free to confess, with the efforts made to give an *artificial* (my italics) stimulus to these establishments in our country . . . . The example of our great manufacturing cities, apparently the seats of great vices, and great fermentations, affords no agreeable contemplation to the statesman or the patriot, or the friend of liberty." Notwithstanding such anxieties, the U.S. tariff continued to be raised in 1824, then again in 1828, followed by another hefty rise in 1832. In 1828 the tariff rise on average increased duties to around fifty per cent on the value of imports!

Other prominent Americans, such as John Caldwell Calhoun (1782-1850), the U.S. Vice-President from 1825-1832, and a great protector of minority rights from the abuse of unrestricted majority rule through centralised government, were alarmed at the growth of privileged commercial protection being afforded the powerful Northern manufacturers' lobby. Economically, America had become two distinct nations, whose commercial interests were in conflict. The South was rich with the abundance of agricultural produce, much in demand in Europe—in particular, the U.K.—while the North was becoming industrialised, and out to secure a domestic monopoly of manufactures against European products with which it could not readily compete. Calhoun stated the problem in a nutshell when he said, "The question is in reality one between the exporting and non-exporting interests of the country."

Among visitors to the U.S. was our own William Cobbett who wrote in his *Political Register* for 1833, that "All the Southern and Western States are, commercially speaking, closely connected to Birmingham, Sheffield, Manchester and Leeds; . . . they have no such connections with the Northern States, and there is no tie whatsoever to bind them together, except that which is of a mere political nature . . . . Here is a natural division of interests, and of interests so powerful, too, as not to be counteracted by anything man can do. The heavy duties imposed by Congress upon British manufactured goods is neither more nor less than so many millions a year taken from the Southern and Western States, and given to the Nor-

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The advance of protection in the interests of the Northern manufacturers at the expense of the rest of the Union angered men like Calhoun, who complained most bitterly that, "Government is to descend from its high appointed duty, and become the agent of a portion of the community to *extort,* under guise of protection, *tribute* from the rest of the community." (my italics)

Calhoun's rising anger at the continued levying of higher duties passed by a Congress surrounded by corrupt self-seeking vested interests, was mirrored by the rising disenchantment of those States who stood to suffer most from such blatant discrimination favouring the Northern industrialists. Three States, Virginia, Georgia and North Carolina, gave notice that they would ignore the discriminatory tariffs being imposed by the introduction of nullifying ordinances. By now, Calhoun was representing South Carolina in the Senate. "The essence of liberty", he said, "comprehends the idea of responsible power —that those who make and execute the laws should be controlled by those on whom they operate—that the governed should govern . . . . No government based on the naked principle that the majority ought to govern, however true the maxim in its proper sense, and under proper restrictions, can preserve its liberty even for a single generation. The history of all has been the same—violence, injustice and anarchy, succeeded by the government of one, or a few, under which the people seek refuge from the more oppressive despotism of the many."

In other words, undiluted democracy where proper constitutional checks are absent or ignored, leads to tyranny and the arrogance of a corrupted majority using the machinery of government for private aggrandisement and personal gain by oppressing the natural right of minorities. The very liberties the War of Independence was supposed to bring into being were being undermined by government favouring those selfish interests by legislating on behalf of industrial producers in search of captive markets for their production. Outrage, bitterness and resentment were, in the nature of things, bound to follow; other issues, such as the existence of slavery were inevitably brought to the fore as the Northern States reacted against the accusations levelled against them by Southern politicians; talk of secession and the dissolution of the Union gathered momentum as accusations and counter-accusations grew in force. As the tariff controversy raged between 1828 and 1831, Calhoun's protests attracted a number of gifted and articulate supporters. In particular, Hugh Swinton Legare (1797-1843), lawyer and statesman from South Carolina, though not supporting nullification, was just as outspoken an opponent of the tariff policy as Calhoun, when, in 1831, he protested that, "The authors of this policy are indirectly responsible for this deplorable state of things, and for all the consequences that may grow out of it. They have been guilty of an inexpiable offence against their country. They found us a united, they have made us a distracted people. They found the union of these states an object of fervent love and religious veneration; they have made even its utility a subject of controversy among very enlightened men . . . . I do not wonder at the indignation which the imposition of such a burden of taxation has excited in our people, in the present unprosperous state of their affairs . . . . Great nations cannot be held together under a united government by anything short of despotic power, if any one part of the country is to be arrayed against another in a perpetual scramble for privilege and protection . . . ."

The air was being filled with hate and bitterness; the arguments of the Northern protectionists grew cruder and cruder, so that President General Jackson, outraged by Calhoun's threat of nullification, and if driven to it, secession, ordered his law officers out of their beds in the early hours of the morning to see if there was a case for impeaching his Vice-President for treason, threatening that if Calhoun were guilty he would have him hang from the gallows for such infamy. Reason and common-sense were giving way to the naked power politics of populist democracy and mob oratory at its very worst, constitutional government being abandoned to the greed and avarice of selfish vested interests. Secession threats had come at different times from both the Northern States and the Southern States; however, a temporary truce was reached on the tariff question by the introduction of the Compromise Act. The Act only "papered over" a situation which was rapidly passing the point of no return. A pyrrhic victory by the South only added to the mounting hostility that the Northern States felt for their Southern countrymen. It was then that the Northerners' frustration at the South's stubborn resistance to the imposition of protective tariffs took a new and ugly turn. The issue was slavery. The North charged the South with violating human rights, not to mention undermining Northern prosperity by the use of slave labour in unfair competition; the South countered by charging the Northerners with humbug, accusing them of using wage-slaves in the form of large numbers of illiterate immigrant labourers paid low wages for long hours, and exploiting them under appalling factory conditions. The South, for good measure, argued that they were obliged to look after their slaves in sickness and in health, whereas the North could (and

did) discharge its labour force without compensation when it ceased to be of any use, like so much worn-out plant and machinery. America had become two nations ;the conflict of interest had reached a point where reconciliation seemed beyond a reasonable solution. The dogs of war were on the loose; the break-up of the Union seemed inevitable. The only question left was when, and how?

A new nation founded on "Life, liberty and the pursuit of happiness" had tragically built into its make-up no adequate means of discharging its duty to safeguard the rights of minorities and the fundamental liberty of the individual. Group interests as expressed through majority rule stood paramount. The Constitution was flawed and incapable of protecting the individual from the tyranny of mob rule. Corrupt politics, which to this day bedevil American democracy, had taken deep root in a society founded on freedom and equality before the law. There is no doubt that the existence of slavery was a black spot on the American Republic. Sooner or later its abandonment was certain to take place; had free trade and sound constitutional government been the cornerstone of a free America, its demise as an institution would have been inevitable. Its continued existence acted as a convenient club with which the protectionist North could beat the free-trade South; in reality few Northerners cared a fig as to whether the South owned slaves or not, and if their demand for tariff protection had not met with stern resistance by the Southerner, they would have continued tolerating its existence. Slavery notwithstanding, the fundamental issue was whether "one section of the nation was to be made a tributary to another; whether property guaranteed by the Constitution was safe or not, if the North objected to an economic system which was different from its own; whether the Southern planter should be forced to take his morality from the Northern businessman; whether an agrarian civilisation could preserve its character or should be forced to conform to a disliked industrial one; whether a section of the country was to be allowed to maintain its own peculiar set of cultural values or be *coerced* to conform to those of an alien and disliked section by force of numbers; a question of what would become of *liberty* if Union were to mean an *enforced* uniformity." (John Thurslow Adams, *The Epic Of America*, 1938). In spite of a bloody and disastrous Civil War which ended some 112 years ago, many of those same questions still remain to worry large numbers of liberty-loving Americans.

On April 12, the South Carolinians fired on Fort Sumter; the die was cast; the next four years were ones of tragedy and blood-letting, the aftermath of which was to alter the whole course of American history in ways the founding fathers could not have envisaged. In spite of America's commitment to free enterprise and capitalism, the issue of free trade remains unresolved; the corrupt practices that worried and outraged men like Calhoun and Story continue to undermine the political institutions of a great nation.

The years following the end of the Civil War saw the degradation of the South, the growth of gigantic frauds and wild land speculation; hordes of cheap immigrant labour competing with freed slaves—both

groups landless and ignorant—forming the nucleus of today's urban poor, relying on public works and relief which have brought great metropolises like New York to bankruptcy, while outbreaks of civil strife tax the budgets and harass the officialdom of the United States to the point where anarchy and inflation have taken over from orderly government and civil tranquility. The declining standards of government ethics that the old Southern politicians complained of have produced a bitter harvest, so that organised crime in America accounts for sums of money which exceed the budgets of many relatively prosperous independent nations; in fact, a self-governing criminal oligarchy exists under the effective protection of the U.S. Government elected by the people of the World's largest democracy.

If there is a lesson in all of this for us, might it not be that the dream of a United States of Europe, containing many languages, customs and conflicting interests, arising out of long and diverse histories, makes such a dream more a prospect for a future nightmare, rather than a recipe for peace and prosperity?

Most Britons have a long-standing affection for America—often taking the form of a love/hate relationship; it is therefore necessary that we should take special note of those factors in that fine country's history which brought about the undermining of the dream its early settlers prayed and worked for. Those who refuse to learn the lessons of history seem fated to repeat those tragic errors which I have briefly recited.