

## INTRODUCTION

**DURING** this century it has become clear that in public life no greater challenge presents itself to the governments of all nations of the world than the challenge of legislating in accordance with the eternal principles of the science of political economy. Certainly no government can be satisfied that they have begun to move in this unequivocal direction. Rather they must admit that the present ignorance of economic principles is making no mark on the suicidal path which threatens to lead on to war between the opposing ideologies of communism and liberalism, or to revolution and civil war. In former times the forces of religion, political moderation and even diplomacy have averted such calamities. Today, however, the overwhelming desire, unconscious and inarticulate perhaps, is the desire for economic justice and economic liberty. If governments can harness this desire they will command the whole-hearted allegiance of all the peaceful forces available.

Those principles of political economy concerning trade across the globe may not be the most important of this noble science, but they are the ones most frequently called in question to-day. In Europe the creation of the Economic Community has re-opened the question of free trade and of protection. The arguments of the protectionists have won the day. The voice of free trade commanded little respect and was all but stifled by the protectionists' claims that the doctrines of free trade and of *laissez nous faire* were outdated by nearly a century.

Such arguments are quite perverse. For the whole case for the creation of a protective community in Europe is advanced upon theories which in essence derive from the prejudices and the infant fumbblings of which the records of the seventeenth, eighteenth and nineteenth centuries bear most incontrovertible evidence.

The principles of free trade are principles discoverable and sustained by reason. They can not be varied or suspended or influenced by events.

Since the current arguments concerning trade have naturally returned to the ideas of long ago, it would be worth perhaps returning to some of the finest expressions and applications of the principles of free trade. First we will cover its introduction in England during the nineteenth century. Then to pre-revolution France where one of the founding fathers of the study of economics, M. Turgot, introduced similar measures, not by way of popular agitation but by executive will. Then to the Kingdom of Piedmont, Northern Italy, to take note of the ministerial action of Cavour. It is difficult to find two more sagacious statesmen in European history and Richard Cobden's memory is only to be enhanced by linking his singular efforts in England with those like spirits in Europe.

# The Battle Against Protection: An Historical Survey to the Present Day

## PART 1: THE RISE OF THE ANTI-CORN LAW LEAGUE

Malcolm Hill

**A**ROUND the middle of the eighteenth century population of Britain did not exceed ten million their economic activity was predominately agricultural and a sufficient surplus of grain was harvested to feed another million abroad. By 1815 this picture had been transformed; the population advanced to almost twenty-five millions, many whom crowded into the new industrial centres Birmingham and Manchester, and grain had to be imported to feed these millions in England. In the unreformed parliament was still dominated the traditional rural representatives who resented expansion of trade at the expense of their traditional monopoly of the food market. They enacted a Corn Law to shore up their interests. It forbade importation of wheat below the high price of 80 shillings per quarter. Many of the current ideas advanced to protect agriculture today were voiced in debate, but the most telling contribution<sup>1</sup> came from Sir Gilbert Heathcote. He described his occupation as being "a considerable landowner." but he stood against the Corn Law. "He should always prefer it was reported, making the amount of rent depend on the price of corn, rather than render the price of corn consequent on the amount of rent."<sup>2</sup> Some twenty seven years later Cobden commented on the Corn Law of 1815. "Every party in this House he declared, " and many out of doors were deceived but there was one party who were not deluded—namely, the working classes. They were not deluded, for they saw with instinctive sagacity without aids of learning and education, without the pretence of political wisdom, what would be the effect of the law on the rate of wages. Therefore it was that when the law (the 1815 Bill) was passed, your House was surrounded by the excited populace of London, and they were compelled to keep back an enraged people from your doors by the point of the bayonet. When the law was passed murder ensued. Yes, I call it murder for the coroner's jury returned a verdict of guilty murder against the soldiers."<sup>3</sup>

In 1822 the threshold tariff was reduced from 80 shillings per quarter to 70 shillings per quarter b

1. *Hansard* 1815 Col. 16.

2. *Hansard* 1815 Col. 59.

3. *Hansard* 1842. 24 Feb. Col. 1044.



to compensate the decline in money values. In 1828 Parliament replaced the earlier Corn Law with a regime of sliding scales of tariff and this was the Corn Law against which the Anti-Corn Law League fought some ten years later. During the debate Mr. Hume made a point which was later used by Cobden with great effect. "There was one mode of reason adopted," he said, "on the part of the landed proprietors . . . namely that which they used to put themselves forward as promoting this scale of duties, in order to protect agriculture. He denied that this was their object . . . He denied that the interests of the landowner and the farmer were the same."<sup>4</sup>

The 1828 Corn Law operated with intolerable severity as may be appreciated from an approximate example. During the decade to 1838 the domestic price of wheat averaged fifty-seven shillings and six pence per quarter and the F.O.B. price in France and Prussia during these years averaged thirty-four shillings and sixpence respectively. Applying the scale of the 1828 Bill<sup>5</sup> the import tariff, when the home price was fifty-seven shillings and sixpence would have been twenty-eight shillings and eightpence. Even allowing for shipping costs the British were denied any access to cheaper foreign corn.

Many consequences of the Corn Law were keenly felt by the commercial and the industrial interests. First, real wages were depressed by the artificially high cost of food. High money wages reduced the international competitiveness of industries. Secondly, the tariff, by excluding imports of foreign corn, destroyed export markets. With what will foreign merchants, who have an abundance of cheap corn, be able to pay for goods bought from manufacturers in England, they asked? Thirdly, to a few men of vision it was clear that the poverty of the masses attributable to protection, would divide the nation, and even lead to revolution.

In the Autumn of 1838, which followed a bad harvest, a number of businessmen met in a Manchester hotel to form the Anti-Corn Law Association. Their initial aim of petitioning Parliament for some relief was sharpened by Richard Cobden into a clear demand that the Corn Law be totally and immediately repealed. The demand carried conviction among

manufacturers in Manchester, and by the next Spring, funds had been collected, a journal for the Anti-Corn Law League had been launched with a bold heading which read "Laws based, as the Corn Law is, in injustice and partiality, can never be of long endurance. They are only fit for fair weather—they cannot resist the storm." Meetings were held all over the country to educate millions, lest that "storm" should arise in ignorance of its artificial causes, and of its direct remedy, and consequently plunge the nation into senseless revolution. Opposition to this agitation was at times, and particularly in the country districts, reported to be violent. Over the following two years the patient ground work of the Anti-Corn Law League was continued.

In 1841 Richard Cobden, its leading spokesman, was elected to the House of Commons, and henceforth the attention of the League was focused on the front bench of Sir Robert Peel's government, whose Conservative supporters had a vested interest in maintaining the Corn Laws. In his maiden speech Cobden struck a new note in politics; indeed a new assertion of enfranchised electorate. There were twenty million persons in these realms who depended upon wages for their subsistence. There were about a million upon public aims. And he claimed from Gentlemen on the other side, who were hugging the paupers as their pets, to let some of their sympathies be extended to the twenty millions who were in that situation that entitled them to their support . . . He told them that their tax on bread pressed more severely upon that class of men . . . He had heard that tax called by a multitude of names. Some designated it as a "protection"; but it was a tax after all, and he would call it nothing else.<sup>6</sup> Writing to his brother after making this speech Cobden comments "I had observed an evident disposition on the Tory side to set up as philanthropists. Old Sir Robert Inglis sat with his hands folded, ready to sigh, and if needful, to weep over a case of church destitution; he delivered a flaming panegyric upon Lord Ashley the other night, styling him the friend of the unprotected, after he had been canting about the sufferings of lunatics. Added to this, Peel has been professing the utmost anxiety for paupers . . . When I told them at the close of my speech I had been quietly observing all this, but it would not all do unless they showed their consistency by untaxing the poor man's loaf, there was a stillness and attention on the other side very much like the conduct of men looming aghast at the first consciousness of being found out."<sup>7</sup>

In September of 1841 Cobden formed a partnership with John Bright which became a close and formidable alliance. Its beginning is related movingly by Bright "On the day when Mr. Cobden called upon me . . . I was in the depths of grief, I might say

4. *Hansard* 1828. 29 April. Vol. XIX.  
5. 9 Geo. IV. C.60

6. *Hansard* Vol. LIX. Cols. 235/236, 25: LIX: 1841.  
7. *The Life of Richard Cobden*, John Morley, p.185.

almost of despair; for the light and sunshine of my house had been extinguished, all that was left on earth of my young wife . . . was lying still and cold in the chamber above us . . . Mr. Cobden called upon me as his friend, and addressed me with words of condolence. After a time he looked up and said,



"There are thousands of houses in England at this moment where wives, mothers, and children are dying of hunger. Now," he said "when the first paroxysm of your grief is past, I would advise you to come with me, and we will never rest until the Corn Law is repealed." I accepted his invitation. I knew that the description he had given of the homes of thousands was not an exaggerated description . . . the sufferings throughout the country were fearful . . . I felt in my conscience that there was a work which someone must do . . . and from that time we never ceased to labour hard on the resolution which we had made."<sup>8</sup>

In 1842, trade revived, prospects improved and Peel retained the old sliding-scale Corn Law. This temporary improvement provided an opportunity to widen the campaign outside the manufacturing districts. For as weather and prospects might easily change, so the country had to be prepared at the right moment.

During the Summer and Autumn of 1843 Cobden and Bright opened a rural campaign stretching all over England and Scotland, which demanded of them incessant travel, much speaking and little rest. As the main purpose of the campaign was to win the support of the farmers, who superficially had all to gain from the maintenance of high grain prices, and to win it by inspiration and reasoned argument, these rural meetings were lengthy. At Bedford, for example, a large crowd continued to question and listen from 3 p.m. to 9 p.m. despite being drenched by incessant and heavy showers.

By the opening of 1844 the Anti-Corn Law League had become one of the largest and most persistent political movements ever known in Britain. Yet the Corn Laws prevailed, although not as securely as the Monarchy as had been supposed hitherto.

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**DURING** the session of 1844 the Corn Law Question dropped into the background. In March, however, Cobden represented his case for immediate repeal; this time with a penetrating account of the condition of the agricultural workers and the tenant

8. Op. cit. p.190.

farmers. He unfolded a horrifying account of poverty and misery from the testaments of priests and sociologists. Here, he demonstrated, were a large section of the nation to whom the manufacturers could never look as their potential customers; here were conditions which caused strikes and militancy in industrial centres, for no one wished to fall to such wretchedness. The tenant farmers he argued had nothing to gain from the maintenance of high price of corn, for most held short leases and were subject to rent reviews which claimed the supposed advantages of high prices. His speech was given for a motion that Parliament should appoint a Committee of Inquiry into the condition of agricultural workers and tenant farmers. Although the motion failed, the House of Commons heard full evidence which would have been presented, had such a Committee been set up. Indeed it registered in the consciences of the protectionist members. Writing after his speech Cobden relates: "It is now quite certain that our Free Trade Labours must be spread over a larger space of time than we contemplated at one time . . . Time can alone effect this business. It cannot be earned by storm."<sup>9</sup> The League now concentrated on advocating all its supporters to register their vote in the counties by purchasing the necessary qualification, prescribed by The Reform Act, of a freehold property worth forty shillings per year.

In 1844 another good harvest was gathered, the price of corn fell from fifty-seven shillings to forty-five shillings, the weather was mild, the general depression had lifted and the Revenue was in balance. Amid this general prosperity, one dissident voice was raised; that of the tenant farmer whose rent had not fallen with the price of corn. Their situation was mentioned every week in Parliament. In the Spring of 1845 Cobden delivered his greatest speech on the same motion of the previous year. Besides heart chilling accounts of poverty and economic slavery, witnessed among farm labourers, and farming tenants all over the country, he startled the House by showing that the value of exports to Brazil that year exceeded the value of goods consumed by the whole number of agricultural workers and their families. Peel had strained to follow every line of reasoning, and towards the end of Cobden's speech he crumpled



his notes and turned to Sidney Herbert to say, "You must answer this, for I cannot."<sup>10</sup> It marked a turning point in the relations between Peel and Cobden, for whilst most country members were silenced, Peel had understood the force of Cobden's arguments.

9. Op. cit. p.294.  
10. Op. cit. p.318.

During the summer of 1845 Cobden considered the future; "They (the Government) are going to repeal it (The Corn Law), as I told you—mark my words—at a season of distress. The distress may come; aye, three weeks of showery weather when the wheat is in bloom or ripening would repeal these Corn Laws."<sup>11</sup> The first weeks of August were cold and wet, and a potato disease which had broken out in France and in Missouri, set in. By mid-September, the disease had struck the potato crop in the ground and in the barns, and it had been particularly severe in Ireland where poverty had raised the potato to the main ingredient of a wretched diet. In October rain ruined the ungathered wheat crops north of the Trent. The League's journal carried this report:

"The potato (unknown in Europe to about 1550) is the last desperate and miserable solution to a miserable problem, which the Corn Law compels the English, to solve on pain of starvation.

It is clear too—even though we had no Ireland for our warning—what are the conditions and contingencies of a potato-fed life. A potato eating people are a people crowded together up to extreme limits of the potato bearing limits of the soil—living habitually on the coarsest and least nutritious diet that will sustain life—and utterly without resources or alternative in the event of failure of this one crop. A potato eating people has no *pis aller*. Mr. McCulloch says they have reached the lowest point in a diminishing scale, and they can go no lower. Lower than potatoes there is nothing, but death by hunger." At a meeting of 8,000 held in Manchester during that October, Cobden underlined the point, "We are not met here tonight to exult in the fallen and menacing condition of our unhappy sister island, Ireland, whose inhabitants, in consequence of the failure of the potato crop and the deficiency of the wheat harvest, seem to have starvation staring them in the face and famine impending over them . . . The object for which we have laboured for seven years have been abundance and plenty!" Awareness of the need grew rapidly as people considered the onset of Winter. "Mark my words", declared Cobden to a gathering in Birmingham, "and I speak them in sorrow, that next spring will develop the calamitous results of our present suicidal policy." At the end of November, Lord John Russell, the Whig leader, abandoned his belief in the Corn Law by advocating in a letter to his constituents its immediate and total repeal.

By the New Year, Peel had decided to repeal, not at once, but over three years and the Bill of Repeal reached the Statute Book by July, 1846. Upon that event, the Anti-Corn Law League wound up its affairs and dissolved.

The repeal of the Corn Law was but the spearhead of the attack of Free Traders upon the Protectionists. In its wake followed the repeal of import duties on

11. Op. cit. p.325.

the whole range of commodities and manufactured articles. Politics was cleansed of many of the vested interests of protection, and the nation enjoyed the freedom of trade, thus effected, until the First World War. A period of great prosperity was enjoyed



throughout by farmers, apart from three crop failures in the late 1880's. It was as if a safety valve had been released and industry and commerce were allowed to develop with great flexibility. Like a tree, which must bend with the wind, the economy was allowed to respond to changing fortune. Unfortunately, after the First World War political thinking reverted to its early nineteenth century mercantile dogmas, and by 1931 protection was welcomed back. In 1975 we have turned the full circle; governments have not spared themselves in their interference with economies, trade, and with the monetary mechanisms, food prices have risen, and the Common Agricultural Policy threatens the same mischief that the Corn Laws threatened in 1838. Gradually the chorus clamouring for protection of domestic industry swells; economists, politicians, businessmen and trade unionists are falling over themselves to demand protection not as a fundamental principle but as a temporary relief which was especially designed for the world as it finds itself in 1975. (to be continued).

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## THE BATTLE AGAINST PROTECTION

### PART ONE: (This issue)

- \* Introduction
- \* Rise of the Anti-Corn Law League 1838-1843
- \* Opinion Changes, and the Repeal of the Corn Laws follows 1844-1846

### PART TWO: (To follow)

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- \* The Anglo-French Commercial Treaty 1859-1864
- \* The Introduction of Free Trade in French Grain
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### PART THREE: (To follow)

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