

ENGLAND ATTEMPTS ENFORCEMENT

The British Empire at Peace

UNTIL 1763, as we have seen, British commercial restrictions had been either evaded or not enforced. A century of exceptional opportunities had given the colonists a sense of power and a consciousness of identity of interests. In twenty-five years their population doubled and they eagerly anticipated the termination of the French and Indian Wars which they thought would give them even freer scope for increased material expansion.

Some forces in Britain had foreseen this contingency and, when England was about to make peace with France in 1763, proposed that France be permitted to retain Canada as a curb upon the colonists. That the latter were fully alert to the issues and possibilities of the times was evidenced by a pamphlet, *The Interest of Great Britain Considered*, written by Benjamin Franklin in 1760, indicating the economic roots of approaching friction. But it concluded that if the colonists were permitted to expand they would necessarily remain non-manufacturing communities for a long time to come, and therefore natural markets for British manufactures; and that they would never seek independence if treated with consideration. Bute, British Prime Minister when the treaty with France was finally signed, took Canada, but the English ruling class, then in the beginnings of the industrial revolu-

tion, were more determined than ever to monopolize the colonial market and to choke off even the possibility of competition. It was for such ends, indeed, that Britain's rulers had engaged in a century of expensive warfare and annexed a colonial empire.

In 1763 the Seven Years' War ended. England was not to be seriously challenged again in world affairs until the Napoleonic period. The breathing spell needed for careful attention to colonial matters was at hand. The expansion of the empire made such a policy more imperative than ever. The settlement of world affairs made colonial organization and enforcement possible.

The Costs of Empire

Supplementary to the basic factors in British policy at the close of the wars was the rising interest and principal of the British national debt. The national debt of a nation, as Marx observed, is the only "collective possession of modern peoples,"⁵ and England's had risen steadily. In 1755 the principal amounted to £74,571,840 and interest to £2,396,717. During the Seven Years' War, these figures had nearly doubled: principal *increased* by £72,111,004, interest by £2,444,104.

To protect the new empire, a large fleet and standing army would entail additional increasing expenditures. The duties collected in America were only about £2,000 a year; it had cost England £8,000 in administrative and other expenses to collect this sum. With increased revenue essential, the landed interests, who were in parliamentary alliance with the mercantilists, would tolerate no extension of taxes upon their domains, while the capitalist class was likewise adamant on imposts against their personal interests. The treasury officials could think of only one alternative

—to force the colonists to share in this imperial burden. The tax measures which followed provoked the events which led to the American Revolution.

Grenville's Policies

The man into whose hands the problem of imperial readjustment fell was George Grenville, Prime Minister in the cabinet of George III. He was a capable man of unquestioned integrity and conscientious in the interests of the class he represented. Hence he could be expected to tackle the problem before him with energy and dispatch.

But Grenville and everything he represented were out of step with the times. In spite of the Prime Minister's personal abilities, the reactionary interests of the class for which he spoke restricted his approach to the new imperial problems of his age. The needs of the period dictated a readjustment of state organization and policies consistent with a rapidly industrializing nation. England now owned an expanding empire, diverse and extensive. Changing times had created new problems which required new policies. The older English possessions were largely the private trading domains of the great commercial corporations such as the Hudson Bay Company and the East India Company. Among other demands the growing Whig party was clamoring for a new form of imperial organization which would reduce the independent power of these companies and bring them into more dependent relations with the home government.

But the mercantilist statesmen represented the interests of merchant capitalists and trading companies. Hence they had neither wisdom nor foresight to solve new problems created by dynamic changes in the industrial structure.

In state affairs Grenville epitomized the declining mercantilist power. The rising Whigs who, under the leadership of Newcastle and Pitt, had been building up a powerful parliamentary opposition, were shelved and isolated by George III. Through parliamentary manipulation in the form of titles, honors, decorations, offices and cold cash, organized opposition was temporarily disarmed and Grenville was able to consolidate a parliamentary majority in his support.

Mercantilist Policies Reënacted

At first, the laws already on the statute books, though long unenforced, were resorted to, and were supplemented by a series of measures designed to correct what were regarded as existing abuses. Provision was made for the enforcement of the navigation and customs laws in the colonies. To break up smuggling, ships of war were sent to patrol the American coastline. There was rigid scrutiny of the conduct of resident customs officials, and those found to be negligent or dishonest were replaced. To overawe the resentful Americans, Grenville further provided that a British army of 10,000 men should be maintained in the colonies. And to further enforce the Trade Acts, "Writs of Assistance" were issued. It was extremely difficult to detect smuggling where every neighbor sheltered the offender. Partly to overcome this, the Writs authorized officers to board any ship, and enter any warehouse or private dwelling to search for smuggled goods. These documents were general warrants, not directed against a specific suspect, and therefore enabled the officials legally to enter any home or place of business "on suspicion"—i.e., at will.

In 1764, the Molasses Act of 1733 received attention. Hitherto it had been successfully evaded. The

duties on foreign molasses were lowered from sixpence to threepence per gallon, but with the forewarning that the new schedules would be strictly enforced. Moreover the law was further enlarged; coffee, Spanish and Portuguese wines, and several other articles previously imported from the French and Spanish colonies, were brought within its scope.

In the same year, the growing colonial irritation was aggravated by a parliamentary prohibition against the issuance of paper money. Since the Americans had been permitted neither to establish their own mints nor to conduct their commerce and shipping in such a manner as to give them a favorable balance and thus obviate the necessity of exporting specie to England, there had been a steady drain of their currency to the mother country. Hence a pressing need for an exchange medium for local trade had long existed. Beginning in 1690, first Massachusetts and then other colonies had wrung reluctant permission from England to issue strictly regulated amounts of paper bills. Restrictive features of these concessions were partially evaded and this further augmented the amount of such paper currency which soon came into general circulation.

In some colonies, such as New York, these legal tender notes had been kept on a par with silver. In others they had depreciated steadily until they were at a discount of 40%. The assemblies in the latter colonies had been undertaking to compel acceptance of the depreciated currency for all debts. The upshot was that, upon complaint of the British merchants who were affected, an act was passed by Parliament in 1764 * "to prevent paper bills of credit hereafter to

* In 1751, Parliament passed an act forbidding the further issuance of paper money in New England except to cover current expenses or to finance war operations.

be issued in any of his Majesty's colonies . . . from being declared to be a legal tender in payment of money."

Next, Grenville tackled the vexing problem of western lands, upon which rich and poor Americans alike were casting covetous eyes.* First, the English deemed

* By the middle of the eighteenth century, the most desirable land in the old seaboard communities had been engrossed. With little or no good land available, newcomers, such as the Scotch-Irish and German immigrants, were forced to go to the foothills and at times cross over the Appalachian range in search of farms. Sometimes they were joined by hardy pioneers drawn from the older region, small-scale producers who were finding it difficult to make both ends meet because of rapidly deteriorating land.

The trans-montane territory attracted the rich also. The latter, however, did not intend to take up land and settle upon it as individuals; they rather wished to acquire it for the purpose of reselling and thus secure speculative profits. Even before the French and Indian War, a lively interest in the western country was shown, particularly by land speculators in Virginia. In 1745, 100,000 acres of western land were given to John Robinson and others; three years later 500,000 acres were granted to the Ohio Company organized by prominent Virginians and backed by British capitalists. The Loyal Company, composed of men like Lewis and Walker, was likewise given an 800,000 acre tract along the northern boundary line of North Carolina. In 1754, Governor Dinwiddie of Virginia promised 200,000 acres of land in the Ohio country to those who volunteered against the French.

When the Anglo-French struggle ended in 1763 with the British as masters of the trans-Allegheny West, American land speculators lost no time in attempting to gobble up the new lands. The Virginians immediately revived old claims and initiated new ones. Under the leadership of Colonel Washington, the soldiers of the "Old Dominion" petitioned for the land promised to them by Governor Dinwiddie in 1754. At the same time, Washington, with the Lees and Fitzhughs, founded the Mississippi Company; their object was to secure 2,500,000 acres of land out west. Meanwhile, Franklin, probably assisted by Baynton and Wharton and possibly by Galloway, tried to form a company to secure land in the new region for the purpose of speculation. Similarly, New York interests attempted to acquire a 300,000 acre tract to be sold at £50 for every 1,000 acres.

Whereas American capitalists were thoroughly alive in 1763 to the possibilities of western land speculation, a majority of Englishmen were either wholly indifferent or skeptical about the value of

it necessary to conciliate the Indian tribes who already inhabited the lands extending from the Appalachian Mountains to the Mississippi River (an area of some half a million square miles which had been acquired from France in 1763). Fearing that France might seek to regain its lost possessions, England strove to win over the Western Indians, former allies of France. Secondly, a valuable fur trade was developing with these Indians and the Crown was determined to keep this trading activity under English control while at the same time conserving British interests in the possibility of land speculation in the trans-Allegheny West. Further, it was deemed good policy by the British ruling class to keep colonial settlement confined to the seaboard, within easy reach of the trade of the mother country. Lastly, England desired to prevent the colonists from spreading out. A definite limitation of colonial expansion in the West made it easier to check possible manifestations of a spirit of rebellion against British authority.⁶

In October, 1763, the Grenville ministry accordingly proclaimed the closing of the whole Western territory. A line, subsequently known as the Proclamation Line, was drawn along the Allegheny watershed. Settlement west of this line was forbidden on the pretext that to plant settlements in the interior would make protection of the colonies difficult.

the newly acquired region. Yet, the Prime Minister, Grenville, and other English capitalists who later speculated in western lands, were too cautious to drop the trans-Allegheny country into the laps of American capital interests. The Proclamation Line of 1763 was the first in a series of ministerial acts which attempted to curb the ardor of American land speculators. (C. W. Alvord, *The Mississippi Valley in British Politics*, vol. i, pp. 84-89, 95-99.)

The Stamp Act

Additional revenue was needed to administer and enforce the new British laws. The authorities in London, for example, estimated that twenty British regiments would be required in America. This expense, plus others necessary to enforce the new policies, the English ruling class was in no mood to bear. Grenville decided that the time had arrived to compel the colonists to share the imperial tax burden.

In 1764, on Grenville's initiative, Parliament passed a resolution sanctioning the imposition of a Stamp Tax upon the colonies. The colonial agent, Benjamin Franklin, who was active in England at the time, protested vigorously, but would concede no other alternative tax scheme. Grenville therefore decided to push vigorously ahead. On March 22, 1765, the act received its final passage, effective on November 1 of the same year.

By the terms of this law, duties in the form of stamps were required to be affixed upon customs papers, legal documents, licenses, pamphlets, advertisements, newspapers, almanacs, playing cards, and a host of other specified items. The tax was expected to yield an annual revenue of about £60,000—which, of itself, was not a very considerable amount for a colonial population of more than a million. Both Grenville and the colonists, however, recognized the primary importance of the principle and precedent involved—the right of the crown to levy colonial taxes. The act was intended chiefly as an entering wedge to establish this principle.

There were, of course, many supplementary laws passed to complement the above legislation. The instances cited, however, constituted the broad outlines of Grenville's policy, the announcement and promulgation of which led to the American Revolution.