

Adam Smith

On the American Colonies¹

How did Smith distinguish (a) countries that had colonies, from (b) countries that didn't? What one thing did the mother countries "enjoy," as a result of acquiring a colony?

The countries which possess the colonies of America, and which trade directly to the East Indies, enjoy, indeed, the whole show and splendour of this great commerce. Other countries, however, notwithstanding all the invidious restraints by which it is meant to exclude them, frequently enjoy a greater share of the real benefit of it. The colonies of Spain and Portugal, for example, give more real encouragement to the industry of other countries than to that of Spain and Portugal. . .

After all the unjust attempts, therefore, of every country in Europe to engross to itself the whole advantage of the trade of its own colonies, no country has yet been able to engross to itself anything but the expense of supporting in time of peace, and of defending in time of war, the oppressive authority which it assumes over them. The inconveniencies resulting from the possession of its colonies, every country has engrossed to itself completely. The advantages resulting from their trade it has been obliged to share with many other countries.

At first sight, no doubt, the monopoly of the great commerce of America naturally seems to be an acquisition of the highest value. To the undiscerning eye of giddy ambition, it naturally presents itself amidst the confused scramble of politics and war, as a very dazzling object to fight for. The dazzling splendour of the object, however the immense greatness of the commerce, is the very quality which renders the monopoly of it hurtful, or which makes one employment, in its own nature necessarily less advantageous to the country than the greater part of other employments, absorb a much greater proportion of the capital of the country than what would otherwise have gone to it. .

Does Smith say that Britain had no right to levy taxes on the American colonies? Does Smith believe that Britain had a colonial empire? If not, what words would he have used, to describe Britain's colonies? What did he advise the British to do, if they couldn't get the American colonists to pay their share of the expenses of running the empire?

It is not contrary to justice that . . . America should contribute towards the discharge of the public debt of Great Britain. . . . a government to which several of the colonies of America owe their present charters, and consequently their present constitution; and to which all the colonies of America owe the liberty, security, and property which they have ever since enjoyed. That public debt has been contracted in the defence, not of Great Britain alone, but of all the different provinces of the empire; the immense debt contracted in the late war in particular, and a great part of that contracted in the war before, were both properly contracted in defence of America. . .

¹ Excerpted from *The Wealth of Nations: Of Colonies*, Book Four, Chapter 7, Part 3

It was because the colonies were supposed to be provinces of the British empire, that this expense was laid out upon them. But countries which contribute neither revenue nor military force towards the support of the empire, cannot be considered as provinces. They may perhaps be considered as appendages, as a sort of splendid and showy equipage of the empire. But if the empire can no longer support the expense of keeping up this equipage, it ought certainly to lay it down; and if it cannot raise its revenue in proportion to its expense, it ought at least, to accommodate its expense to its revenue. If the colonies, notwithstanding their refusal to submit to British taxes, are still to be considered as provinces of the British empire, their defence in some future war may cost Great Britain as great an expense as it ever has done in any former war. The rulers of Great Britain have, for more than a century past, amused the people with the imagination that they possessed a great empire on the west side of the Atlantic. This empire, however, has hitherto existed in imagination only. It has hitherto been, not an empire, but the project of an empire; not a gold mine, but the project of a gold mine; a project which has cost, which continues to cost, and which, if pursued in the same way as it has been hitherto, is likely to cost, immense expense, without being likely to bring any profit; for the effects of the monopoly of the colony trade, it has been shown, are, to the great body of the people, mere loss instead of profit. It is surely now time that our rulers should either realise this golden dream, in which they have been indulging themselves, perhaps, as well as the people; or, that they should awake from it themselves, and endeavour to awaken the people. If the project cannot be completed, it ought to be given up. If any of these provinces of the British empire cannot be made to contribute towards the support of the whole empire, it is surely time that Great Britain should free herself from the expense of defending those provinces in time of war, and of supporting any part of their civil or military establishments in time of peace, and endeavour to accommodate her future views and designs to the real mediocrity of her circumstances.

Pitt's speech on the Stamp Act

January 14, 1766

William Pitt was without a doubt Britain's most famous (and most successful) politician of the 1700s. He was Prime Minister during the Seven Years' War, in which Britain defeated France and acquired Canada and other French territory in North America. He was known for his American-friendly views.

Gentlemen, Sir, I have been charged with giving birth to sedition in America. They have spoken their sentiments with freedom against this unhappy act, and that freedom has become their crime. Sorry I am to hear the liberty of speech in this house, imputed as a crime. No gentleman ought to be afraid to exercise it. It is a liberty by which the gentleman who calumniates it might have profited, and by which he ought to have profited. He ought to have desisted from this project. The gentleman tells us, America is obstinate; America is almost in open rebellion. I rejoice that America has resisted. Three million of people so dead to all feelings of liberty, as voluntarily to submit to be slaves, would have been fit instruments to make slaves of the rest. I come not here armed at all points, with law cases and acts of parliament, with the statute book doubled down in dog's-ears, to defend the cause of liberty.

[Pitt then gave examples of people and sections of the British kingdom]

None of these thought, or ever dreamed, of robbing the colonies of their constitutional rights. That was to mark the era of the late administration: not that there were wanting some, when I had the honor to serve his majesty, to propose to me to burn my fingers with an American stamp-act. With the enemy at their back, with our bayonets at their breasts, in the day of their distress, perhaps the Americans would have submitted to the imposition: but it would have been taking an ungenerous and unjust advantage. The gentleman boasts of his bounties to America. Are not those bounties intended finally for the benefit of this kingdom? If they are not, he has misapplied the national treasures. I am no courtier of America; I stand up for this kingdom. I maintain that the parliament has a right to bind, to restrain America. Our legislative power over the colonies is sovereign and supreme. When it ceases to be sovereign and supreme, I would advise every gentleman to sell his lands, if he can, and embark for that country. When two countries are connected together, like England and her colonies, without being incorporated, the one must necessarily govern; the greater must rule the less; but so rule it, as not to contradict the fundamental principles that are common to both. If the gentleman does not understand the difference between external and internal taxes, I cannot help it; but there is a plain distinction between taxes levied for the purpose of raising a revenue, and duties imposed for the regulation of trade, for the accommodation of the subject; although, in the consequences, some revenue might incidentally arise from the latter.

The gentleman asks, when were the colonies emancipated? But I desire to know, when were they made slaves. But I dwell not upon words. When I had the honor of serving his Majesty, I availed myself of the means of information which I derived from my office: I speak, therefore, from knowledge. My materials were good; I was at pains to collect, to digest, to consider them; and I will be bold to affirm,

that the profits to Great Britain from the trade of the colonies, through all its branches, is two millions a year. This is the fund that carried you triumphantly through the last war.. The estates that were rented at two thousand pounds a year, threescore years ago, are at three thousand at present. Those estates sold then from fifteen to eighteen years purchase; the same may now be sold for thirty. You owe this to America. This is the price America pays you for her protection. You owe this to America: this is the price America pays you for her protection.. Omitting the immense increase of people by natural population, and the emigration from every part of Europe, I am convinced the whole commercial system of America may be altered to advantage. You have prohibited where you ought to have encouraged, encouraged where you ought to have prohibited. Improper restraints have been laid on the continent, in favour of the islands.. Let acts of parliament in consequence of treaties remain, but let not an English minister become a custom-house officer for Spain, or for any foreign power. Much is wrong; much may be amended for the general good of the whole....

A great deal has been said without doors of the power, of the strength of America. It is a topic that ought to be cautiously meddled with. In a good cause, on a sound bottom, the force of this country can crush America to atoms. I know the valor of your troops. I know the skill of your officers. There is not a company of foot that has served in America out of which you may not pick a man of sufficient knowledge and experience to make him governor of a colony there. But on this ground, on the Stamp Act, when so many here will think a crying injustice, I am one who will lift up my hands against it.

In such a cause, your success would be hazardous. America, if she fell, would fall like a strong man. She would embrace the pillars of the state, and pull down the constitution along with her. Is this your boasted peace? Not to sheathe the sword in it scabbard, but to sheathe it in the bowels of your countrymen? Will you quarrel with yourselves, now the whole House of Bourbon [a royal family that in Pitt's time, ruled France and Spain, and parts of Italy] is united against you... The Americans have not acted in all things with prudence and temper. They have been wronged. They have been driven to madness by injustice. Will you punish them for the madness you have occasioned? Rather let prudence and temper come first from this side. I will undertake for America, that she will follow the example.. Upon the whole, I will beg leave to tell the House what is really my opinion. It is, that the Stamp Act be repealed absolutely, totally, and immediately; that the reason for the repeal should be assigned, because it was founded on an erroneous principle. At the same time, let the sovereign authority of this country over the colonies be asserted in as strong terms as can be devised, and be made to extend every point of legislation whatsoever: that we may bind their trade, confine their manufactures, and exercise every power whatsoever - except that of taking money out of their pockets without their consent.

Give Me Liberty or Give Me Death

March 23, 1775

Patrick Henry

The question before the house is one of awful moment to this country. For my own part, I consider it as nothing less than a question of freedom or slavery; and in proportion to the magnitude of the subject ought to be the freedom of the debate. It is only in this way that we can hope to arrive at the truth, and fulfill the great responsibility which we hold to God and our country. Should I keep back my opinions at such a time, through fear of giving offense, I should consider myself as guilty of treason towards my country, and of an act of disloyalty toward the Majesty of Heaven, which I revere above all earthly kings.

Mr. President, it is natural to man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be of the numbers of those who, having eyes, see not, and, having ears, hear not, the things which so nearly concern their temporal salvation? For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth, to know the worst, and to provide for it.

I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way of judging of the future but by the past. And judging by the past, I wish to know what there has been in the conduct of the British ministry for the last ten years to justify those hopes with which gentlemen have been pleased to solace themselves and the House. Is it that insidious smile with which our petition has been lately received?

Trust it not, sir; it will prove a snare to your feet. Suffer not yourselves to be betrayed with a kiss. Ask yourselves how this gracious reception of our petition comports with those warlike preparations which cover our waters and darken our land. Are fleets and armies necessary to a work of love and reconciliation? Have we shown ourselves so unwilling to be reconciled that force must be called in to win back our love? Let us not deceive ourselves, sir. These are the implements of war and subjugation; the last arguments to which kings resort. I ask gentlemen, sir, what means this martial array, if its purpose be not to force us to submission? Can gentlemen assign any other possible motive for it? Has Great Britain any enemy, in this quarter of the world, to call for all this accumulation of navies and armies? No, sir, she has none. They are meant for us: they can be meant for no other. They are sent over to bind and rivet upon us those chains which the British ministry have been so long forging. And what have we to oppose to them? Shall we try argument? Sir, we have been trying that for the last ten years. Have we anything new to offer upon the subject? Nothing. We have held the subject up in every light of which it is capable; but it has been all in vain. Shall we resort to entreaty and humble supplication? What terms shall we find which have not been already exhausted? Let us not, I beseech you, sir, deceive ourselves. Sir, we have done everything that could be done to avert the storm which is now coming on. We have petitioned; we have remonstrated; we have supplicated; we have prostrated ourselves before the throne, and have implored its interposition to arrest the tyrannical hands of the

ministry and Parliament. Our petitions have been slighted; our remonstrances have produced additional violence and insult; our supplications have been disregarded; and we have been spurned, with contempt, from the foot of the throne! In vain, after these things, may we indulge the fond hope of peace and reconciliation.

There is no longer any room for hope. If we wish to be free--if we mean to preserve inviolate those inestimable privileges for which we have been so long contending--if we mean not basely to abandon the noble struggle in which we have been so long engaged, and which we have pledged ourselves never to abandon until the glorious object of our contest shall be obtained--we must fight! I repeat it, sir, we must fight! An appeal to arms and to the God of hosts is all that is left us! They tell us, sir, that we are weak; unable to cope with so formidable an adversary. But when shall we be stronger? Will it be the next week, or the next year? Will it be when we are totally disarmed, and when a British guard shall be stationed in every house? Shall we gather strength but irresolution and inaction? Shall we acquire the means of effectual resistance by lying supinely on our backs and hugging the delusive phantom of hope, until our enemies shall have bound us hand and foot? Sir, we are not weak if we make a proper use of those means which the God of nature hath placed in our power. The millions of people, armed in the holy cause of liberty, and in such a country as that which we possess, are invincible by any force which our enemy can send against us. Besides, sir, we shall not fight our battles alone. There is a just God who presides over the destinies of nations, and who will raise up friends to fight our battles for us. The battle, sir, is not to the strong alone; it is to the vigilant, the active, the brave. Besides, sir, we have no election. If we were base enough to desire it, it is now too late to retire from the contest. There is no retreat but in submission and slavery! Our chains are forged! Their clanking may be heard on the plains of Boston! The war is inevitable--and let it come! I repeat it, sir, let it come.

It is in vain, sir, to extenuate the matter. Gentlemen may cry, Peace, Peace--but there is no peace. The war is actually begun! The next gale that sweeps from the north will bring to our ears the clash of resounding arms! Our brethren are already in the field! Why stand we here idle? What is it that gentlemen wish? What would they have? Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it, Almighty God! I know not what course others may take; but as for me, give me liberty or give me death!