

THE
COLONIAL MAGAZINE
AND
COMMERCIAL-MARITIME JOURNAL

COLONIES IN THEIR POLITICAL AND COMMERCIAL
RELATIONS TO THE PARENT STATE.

IN our last number we traced the onward progress of colonization among ancient and modern nations, and we may now proceed to consider the effect which the possession of colonies has on a nation in a political, commercial, and social point of view; especially if that nation be insular, of a very limited extent of territory, and with an increasing population—employing largely, at the same time, mechanical power as a substitute for human power—superabounding with merchandise—possessed of an immense unemployed capital., for which a profitable investment is eagerly sought -and with a developement of mental power for which it is necessary to provide occupation, and the means of improvement and advancement. Such is England ; and we proceed to investigate the effects of her colonies on her prosperity and duration as an empire.

1st. **POLITICALLY.** - The area and **geographical** position of Great Britain would indicate a subsidiary, or, at most, a subordinate state in relation to surrounding kingdoms ; but the maritime character of the people-their attachment to a fertile soil and beautiful scenery-a love of individual freedom-and the other peculiar qualities of the Saxon race, all conspired to render England, even at an early period of her history, an object of alarm or respect to continental nations, whose territories she several times invaded and subdued, but to whom she has for many centuries proved invulnerable.

When the discovery of new lands and maritime commerce began to alter all the existing social arrangements of Europe, and to change the

balance of power in every kingdom, no nation was more imperatively called on than England to make an effort for the possession of maritime supremacy, for it was clearly foreseen that the nation that was paramount on the ocean would rule the world. And it was for the advantage of Europe that England should possess that power. Had Spain or France held the trident, how long would the liberties of surrounding nations, or the integrity of contiguous kingdoms, have been held inviolate? So long only as it pleased their rulers, whose justice would have been limited by their caprice or desires. But with England the case is different : her habits and pursuits are especially of a commercial, and therefore pacific nature, -her maritime supremacy -her colonial possessions—were not likely to lead her to seek continental power, or to tempt her to aggressions on the freedom of her neighbours ; it is for their interest that she should be an arbiter in their disputes, and, while possessing the power of mediation, that she should use influence rather than force to protect the weak against the strong, to uphold freedom, and to encourage the spread of Christian principles. That such is the wisest course of British policy, is now being daily acknowledged. Well did Napoleon say at St. Helena—“ England can never be a great continental nation, and in the attempt to become’ so must be ruined. * * * Let her maintain the empire of the seas, and she may send her ambassadors to the courts of Europe, and demand what she pleases.”*

This memorable expression was uttered by one who possessed greater human power than any despot or constitutional ruler ever before enjoyed, and who exerted that power to the utmost for the destruction of England. Napoleon employed the astute mind of Talleyrand to state his views of the cause of British greatness, and the means to be adopted by France for its overthrow. The report of the French minister ought ever to be remembered by England :—“ Whatever,” said Monsieur Talleyrand, “ gives colonies to France, supplies her with ships and sailors, manufactures and husbandmen : victories by land can only give her mutinous subjects, who, instead of augmenting the national force by their riches or numbers, contribute only to disperse or enfeeble that force ; but the growth of colonies supplies her with zealous citizens, and the increase of real wealth and effective numbers is the certain consequence.”

This subtle statesman then proceeds with reference to the power of Britain in withstanding the attacks of his imperial master,---+ England was assailed in her vitals by France, as Ireland testifies, -she was

* Scott’s Napoleon- see Buonaparte’s conversation with Mr. Ellis.

attacked in her extremities, as the expedition to Egypt, a mere prelude to the conquest of Hindostan, will prove : her naval superiority, and the caprice of the winds, enabled her to repel both these attacks. * * * What could France, Germany, Spain, and Italy, combining their strength, perform against England ? They might assemble in millions on the shores of the channel, but there would be the limits of their enmity ; her fleets are ready to pounce upon, to disperse and destroy us—there lies her security.” He then goes on to declare, in reference to our colonies, ships, and commerce—“ To rob her of these is to beat down her last wall—to fill up the last moat !”

The wisest statesmen of our own and of foreign nations, and our greatest enemies, have agreed in ascribing our political pre-eminence (under the auspices of Providence) to the possession of colonies ; they have “ grown with her growth, and strengthened with her strength ;” they have added to her territorial extent, yet, by means of the intervening ocean, the danger arising from the extension of large landed empires has been avoided ;* they have been the means of calling into active use the iron, coal, and mineral treasures which had lain for ages beneath the surface, until the possession of colonies stimulated native industry, and demanded products available for maritime commerce ; they have afforded occupation to the increasing numbers and advancing skill of England, while they have offered profitable employment within the limits of the empire to the surplus population which prosperity has produced ; the discontented and the evil-minded have been able to develop in the colonies their several feelings, without injury to the parent state ; an extensive commerce and an immense revenue (derived from transmarine products) has been annually secured to England, beyond the control or intervention of any foreign power ; an army of nearly 300,000 men has been formed and disciplined, inured to active service in every climate, scattered over different parts of the world, so that civil liberty has been in no danger of military predominance, and of whom not more than 60,000 are paid out of the English treasury, the remainder being entirely supported by the inhabitants of the colonies. Without the possession of our transmarine harbours in every quarter of the globe, the royal navy in its present strength would be totally inadequate to the complete protection of our vast and widely scattered mercantile marine ; and a supply of seamen, whose skill is improved by long and dangerous voyages, and whose patriotic spirit

* It would seem, by an examination of past ages, that territorial empires break up more quickly than insulated or maritime ones.

is unweakened by a resort to the ports of foreign nations, is available whenever and wherever required, against the enemies of their country.

Ranking as the first state in Europe, yet enabled to stand free of continental alliances, and uncompelled to take part in the disputes which contiguity and disputed boundaries engender,—possessed within herself of every product of earth, sea, and air, which can minister to the convenience and happiness of mankind,—adding daily to her population, trade, and power,—with resources which almost defy exhaustion, and with capacities beyond the limit of human conception—England should not be unmindful of the means by which such a position was attained, and the measures to be adopted for its preservation.

2dly. **COMMERCIALLY.**—Several of the commercial advantages of colonies to a nation like England have been adverted to in the consideration of their political importance ; but as a new theory has been recently put forth, in opposition to all the experience of past ages, and in contradiction to the facts now daily occurring, namely, that colonies are an **incumbrance**,—that we might possess not merely an equal, but a still greater amount of trade, and a greater profit from that trade, without colonies, it will be necessary to examine the subject as fully as the nature of the present article will admit.

One of the fallacies of the present age consists in estimating the importance of any branch of trade, or of commerce in general, by its amount, and not by the profit derived from it ; hence we see the great number of bankruptcies which occur among the trading classes, the desire for a great extension of business inducing them to press their credit **until** it is no longer serviceable ; what is gained on one article is **lost** on another, forced sales are made, and an immense amount of business is transacted, but no profit ensues, and bankruptcy sooner or later is the inevitable result of neglecting *profit* as the main element of trade. It is now our duty to exemplify this principle in national transactions, and to show how much more *profitable* is colonial than foreign trade.

Commerce is the interchange of a superfluous commodity for a required article of use or luxury. By this operation both seller and buyer are benefited, either by direct **or** indirect profit on the transaction, or by the convenience resulting from the **traffic**. If the trade be carried on between the subjects of the **same** community, the nation loses **nothing**,—on the contrary, the amount of national wealth is increased ; for the profit derived by both buyer and seller is added to the general stock of the empire. **If**, however, the transaction takes

place with the subject of a foreign state, only *half* the profit accrues either to the Englishman, or to the nation of which he forms a part, the other half being added to the wealth of the foreigner and his country.

It is for this reason that *home* is better than foreign trade, and that the less time that is occupied in the interchange of commodities, the more benefit is derived to the individual and to the nation. The pettiest shopkeeper knows, that the more frequently he can turn his capital with profit, the more valuable is his trade, and that it is of the highest importance* that his neighbours and countrymen should be wealthy, in order that he may sell the more, and get the better prices for his commodities. A nation is but an aggregate of individuals, and the same laws which apply to a single family are equally applicable to an empire, the general weal being composed of the particular good of each and every member of the state.

As an illustration of our argument, we will suppose an island (England for example) with a single family, who devote themselves to the primary occupations of man, viz. the tending of herds of cattle, and the culture of the soil. If that family can raise sufficient food for their maintenance, its numbers will not be diminished; on the contrary, they will augment in proportion as the supply of food is increased-or., in other words, the creation of capital precedes the extension of population. It will soon be found that a surplus of food is produced; and the requisites of life being provided, its accessory wants will next engage attention; and a division of labour necessarily ensues,

We will now suppose that two large families are formed in the island, the one employing a capital yielding £10,000 surplus in the production of food, the other a capital yielding £ 10,000 surplus in the preparation of clothing. The agriculturist wants *clothes*—the manufacturer *food*—a barter is agreed upon—each makes a profit of \$10,000 on what he sells, and the wealth of both families, and that of the island, is increased; new branches of business are then created, arts and manufactures extend, capital is augmented, industry rewarded, and so long as there be an area, either within the limits of the island or in its colonies, for the employment of skill, money, and labour, the wealth and prosperity of the people is in a wholesome state, and continually advancing, for the promotion of the welfare of the whole community.

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The foregoing diagram explains the following just remarks of Adam Smith :-

“ The capital which is employed in purchasing in one part of the country, in order to sell in another, the produce of the industry of that country **generally** replaces by every such operation two distinct capitals that had both been **employed** in the agriculture or manufactures of that country, and thereby enables them to continue that employment. When it sends out from the residence of the merchant a certain value of commodities, it generally brings back in return an equal value of other commodities. When both are the produce of domestic industry, it **necessarily** replaces by every such operation two distinct capitals, which had both been employed in supporting productive **labour**, and thereby enables them to continue that support. The capital which sends Scotch manufactures to London, and brings back English corn and manufactures to Edinburgh, necessarily replaces by every such operation two British capitals, which had both been employed in the agriculture or manufacture of Great **Britain**.

“ The capital employed in purchasing foreign goods for home consumption, when this purchase is made with the produce of domestic industry, replaces too, by every such operation, two distinct capitals ; but *one of them only* is employed in supporting domestic industry. The capital which sends British goods to Portugal, and brings back Portuguese goods to Great Britain, replaces by every such operation only one British capital. The other is a Portuguese one. Though the returns, therefore, of the foreign trade of consumption should be as quick as those of the home trade, the capital employed in it will give but ONE HALF the encouragement to the industry of productive **labour** of the country.“*

Professor Say also rightly observes, that the “ British **government seems not to have perceived that the most profitable sales to a nation are those made by one individual to another within the nation, for the latter implies a national production of** two values—the *value sold, and that given in exchange.*” We must therefore repeat, that the **fallacy** consists in imagining that the foreign is an addition, and not a **substitution** for the home trade.

A home trade is, however, too generally admitted as the most valuable branch of traffic which a nation can carry on, to require any lengthened demonstration in its support. A colonial trade is, to all intents and purposes, a home trade, the necessity of navigation to carry it on rendering it the more valuable, on the same principle that coals are obliged to be brought by sea to London, with a view to the employment of shipping : every extension of the colonial trade, which, as Adam Smith remarks, “ is always and necessarily beneficial,” is therefore an addition to the home trade, with this further advantage, that the sphere of undue competition is widely removed,—the raw materials for our staple manufactures are within our own control,—intertropical

* Wealth of Nations, b. 2, c. v.

articles, which habit and luxury demand, are produced within the limits of our own territory?-- large capitals are employed in search of remote returns, and a broad basis is established for their almost indefinite extension, as our colonies are marts or warehouses in different parts of the globe for the supply of British merchandise, not only to our own subjects, but also for the use of contiguous nations.

Lord Brougham took the proper view of the colonial trade of England when he penned the following remarks, some years since, in his work on the Colonies :

“ The colonial trade is a trade always increasing, and capable of indefinite augmentation, while the other branches of traffic are of necessity on the wane ; it is as beneficial as a ‘home trade, and is, when rightly understood, a branch of the home trade. Capital taken from the mother country to her colonies is not withdrawn from the empire.; it continues to support the productive part of the community, and, besides being an integral though remote part of the state, it directly employs part of the home plantation transplanted thither. The capital invested in the colonial agriculture encourages the agriculture of the mother country as much as the capital employed in the different branches of domestic agriculture encourages the operations of each other. It is a narrow policy which would consider colonies as separate and subservient appendages of the state ; they are *integral* parts of the empire which is happy enough to possess them, and they ought to be considered as such. The *sophistries* and cavils which political *sceptics* and innovators have founded, partly on a misconception of the theory, and partly on a misstatement of *facts*, tend directly to a degradation of the system in the eyes of superficial *reasoners*, and may ultimately renew a state of things *from* which the unassisted efforts of national heroism may be altogether unable to redeem any one community.”

An admission of *the* foregoing premises leads to the conclusion, that a home or colonial trade to the extent of £25,000,000 is equivalent to a foreign trade to the extent of £50,000,000, for, as before stated, the value of any trade to a nation consists in the profit *derived* from it by both buyer and seller, and its consequent addition to the general wealth of the empire. If England, therefore, could buy her sugar, coffee, corn, cotton, timber, tobacco, &c. from a foreign country, at less immediate cost than she could obtain them in her own empire, she would lose in national profit and advantage, as demonstrated at page 158.

The colonial trade, then, is fraught with advantages fully equal to those of our home trade ; in political importance it is highly valuable, *as* our naval strength rests on the extension, ability, and availableness at all times of *our* mercantile marine ; in our complex financial system, it is essential that our large revenue of £50,000,000 (of which a great part is levied as custom duties on transmarine products) should not be *contingent* on the casualties of war, or the caprice of foreign states ;

and, in reference to our numerous manufactures, a regular, cheap, and increasing supply of the raw staples is of vital consequence to the successful prosecution of manufacturing industry.

Nor should we omit to remark the vast extent of coast-line which the British empire possesses, amounting to many thousand miles in each hemisphere, and abounding in every variety of fish. From the banks off Newfoundland alone, England has derived more intrinsic wealth than Spain has drawn from the mines of Mexico and Peru. The large amount of tonnage built in the colonies, and added to the maritime strength of England, is shown in an article on the Maritime Resources of Great Britain in our previous number ; and every colony contributes more or less in seamen, ships, or shipping materials, to the maritime power of Britain.

In disregard, however, of all the foregoing facts and considerations, the utility of colonies to England has not merely been disputed, but positively denied, and we have been called on to get rid of our transmarine possessions as soon as possible, or at least to cease from any attempt to extend them. It has been asserted that they weaken rather than strengthen a nation, that they are a source of financial expenditure which should be avoided, and of no commercial worth as a compensation for the trouble and outlay incurred in their formation. But it was wisely said by the father of English colonization, William Penn, - ' Colonies are the seeds of nations begun and nourished by the care of wise and populous countries, conceiving them best for the increase of human stock, and beneficial for commerce.'

"I deny," says this great philanthropist, "the vulgar opinion that plantations (colonies) weaken England ; they have manifestly enriched and strengthened her; the industry of those who go into a foreign plantation is worth more than if they stayed at home. Again, England furnishes them with clothes, household stuff, tools, and the like necessaries, and in greater quantities than at home their condition could have needed, or they could have bought, and they often return with riches to England ; one in this capacity being able to buy out twenty of what he himself was when he went out."

And Dr. Johnson says,

"That the settlement of colonies, the establishment of those in security whose misfortunes have made their country no longer pleasing or safe ; the acquisition of property without injury to any; the appropriation of the waste and luxuriant bounties of nature ; and the enjoyment of those gifts which Heaven has scattered upon regions uncultivated and unoccupied, cannot be considered without giving rise to a great number of pleasing ideas, and bewildering the imagination in delightful prospects."

Lord Bacon, in reference to the first experiment on colonies, observes, "Planting of countries is like planting of woods, for you must make account to lose almost twenty years' profit, and expect your

recompense in the end : for the principal thing that hath been the destruction of **most** plantations hath been the base and hasty spirit of drawing profit in the first years."

In fact, no policy can be more permanently useful to England than that of encouraging the formation of colonies in every unoccupied part of the earth, if it were only to provide an abundance of food for the use of those who are employed at home in the preparation of manufactures. Paley, who was remarkably clear on all social advantages, was fully aware of the benefits to be derived from the occupation and **tillage** of the distant parts of the empire, and the free interchange of commodities between the growers of the food and the manufacturers of commodities: he says-

"* No situation can be imagined more favourable than that of a country which works up goods for others, whilst these others are cultivating new tracts of land **for** them : for, as in a genial climate, and from a fresh soil, the **labour** of one man will raise provision enough for ten, it is manifest that where all are employed in agriculture, much the greater part of the produce will be spared from consumption ; and that three out of four at least of those who are maintained by it will reside in the country which receives the redundancy. When the new country does not remit *provision* to the old, the advantage is less, but still **the** exportation of wrought goods, by whatever return they are paid for, advances population in that secondary way in which those trades promote it **that** are not employed in the production of provisions. "*

The chief objection to colonies is founded on the assertion, that our trade with the United States has greatly increased in extent since they became independent of England. But it has been previously demonstrated, that the worth of commerce is to be tested by other qualities as well as mere extent-namely, by its *profit*, its certainty, and its financial results. Viewing the question, however, as regards the extent of our past and present trade with the United States, the assertion of its increase is not founded on **facts**. It was **demonstrated**† during the session of parliament, in 1837 in a debate on the Canadas, that, comparing the population of the United States and of our North American colonies, the Canadas, Nova Scotia, &c. in 1782, and at the present period, the extent of trade carried on by England with her still existing and her former colonies, has much increased in **favour** of the former, whose traffic has been entirely conducted in British **shipping**, while but a small part of our commerce with the United States has been conveyed in English vessels.

In 1771-72, the exports from England to the British provinces in North America (now United States) was in amount £7,200,000 ; in

* Paley's Moral Philosophy, ch. xi,

† By G. F. Young, Esq. M. P.