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THE REVOLT OF THE British American Colonies, 1764-84.

CHAPTER II.

For over a century before the close of the war with France in 1763 there had been a small revenue collected in the Colonies. It arose from duties imposed by two acts of the English Parliament, viz. 25 Car. II., and 6th Geor. II. The first on goods exported from, the other on goods imported to those Colonies; such duties were payable before shipment. As long as the English administration thought those import duties, as applied to foreign trade, were of small account their collection was submitted to by the Colonists without question. But, in the course of time, a brisk trade had sprung up with the West Indies and Spanish Main of such importance to the Colonies as to make it a matter of necessity that it should be regularly systematised, and the only method pursued by the British Government was the stringent enforcement of the Revenue duties and Custom house regulations, absurd enough in themselves, but doubly so when their operations tended to destroy a most lucrative commerce. As this very trade was the means of introducing British manufactured goods into the Spanish Colonies, it was as profitable to the English producer as to the Colonist, but so dense was the ignorance prevailing at this period on this subject that its beneficial operations were not ascertained nor the necessity of removing all obstructions thereto recognised; English statesmen were not alone in this want of knowledge, it was not recognised by the Colonists, and although the effects of the enforcement of the Revenue Laws were most disastrous in raising discontent, the subsequent "Declaration of Independence" puts the issues on a mere sentimental footing by asserting a constitutional paradox, viz: that they could not be taxed by the British Parliament as they were not represented therein, although their constitutional rights were derived from that body.

It might be naturally expected that the

discontent arising from this restriction of commerce would be most intense in the Northern Provinces, the people of which were more directly engaged therein, but the Middle and Southern Provinces also suffered in a considerable degree, as their trade in agricultural products was almost annihilated—thus these foolish Revenue regulations produced discontent in the whole of the Colonies. For many months the newspapers of the Northern Provinces were filled with abuse of the officers of the Navy, lamentations of the seizure of vessels, the destruction of commercial interests and well grounded apprehensions of financial ruin. These feelings were heightened as the plans of the British administration gradually unfolded themselves; the principal of those were—that the Colonies should be obliged to bear a share in any expense which might be necessary for the future protection, and for this purpose certain duties were to be imposed on merchandize imported into the Colonies, which duties were to be paid into the Royal Exchequer, where they were to be set apart as a separate fund, together with the produce of all taxes raised in America by parliamentary enactment—for the purpose of defraying in part all future charges incurred in defence of the Colonies; a Bill providing for those contingencies passed through both Houses and received the Royal assent on the 5th April, 1764.

The object to be attained by this Act was to regulate the commerce of the Colonies and to raise a revenue as far as it was applicable to articles of Foreign Import, it was intended to discourage their consumption and promote that of British and Colonial manufactures, and this last object was the most mischievous of all; yet it is singular to see the United States a century later copying in their fiscal regulations the main provisions of that act which led to their separation from the British Empire. No exception could be taken to the principle of this act, the duties imposed were not the real grievance, but the attempt to make trade flow in a prescribed channel by Legislative enactments and confining the market of the Colonist to one country alone.

During the same session of Parliament an

Act was passed regulating the currency of the Colonists. During the late war the various Colonial Assemblies had on different occasions issued a legal tender paper currency to meet their exigencies, those legal tender notes were redeemable after a certain time either by the ordinary revenue, the special tax imposed for that purpose, or by the money allotted to the respective Colonies by votes of Parliament as a compensation for their services. This legal tender currency was issued in greater profusion than necessary, and owing to the injudicious course pursued by the British Administration in restricting trade the various Colonies had not been able or neglected to provide the necessary means of redemption; this evil was aggravated in Virginia especially, probably in some of the other Colonies by the misconduct of the treasurer; those bills which were paid into the Colonial Exchequer were re-issued by him for his own benefit instead of being cancelled. The consequence of all this was that the rate of Exchange with Great Britain rose as high as been 30 and 40 per cent; the consequence was as general a scarcity of specie as the States are now suffering from. The Act of Parliament restrained the Colonial Assemblies from making their paper currency a legal tender, and although it created great dissatisfaction, yet within two years it had equalised the rate of Exchange.

The British minister moved the following resolution in the House of Commons at the same time the Act alluded to was introduced: "That towards further defraying the expenses of protecting the Colonies it may be proper to charge certain stamp duties in the Colonies;" but no bill was introduced upon this resolution, it being the Minister's intention to leave the question open to the Colonial Assemblies, if this mode of taxation was disliked a more fitting and proper one might be suggested. There can be no doubt that this last resolution and the bill subsequently founded thereon was unconstitutional, as the superior authority in the Empire the British Parliament had a right to levy taxes on Imports and Exports for purposes of general defence, but when that right was extended to what was fairly and properly a part of the