George Grenville and his American Policy

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INTRODUCTION.

It is the purpose of this paper to show not only what the American policy of George Grenville was, but also to take into account the influences which brought about such a policy. The political situation of the period, the attitude of individual men, and the general condition of England must be considered.

The effect of Grenville's course, and its place in the ante-Revolution Policy of England comes also within the scope of the subject "George Grenville and his American policy".

Between April 16, 1763 and April 19, 1775 the movement which resulted in the American Revolution came to a head; during these twelve years from the beginning of George Grenville's administration of England to the skirmish at Concord Bridge the attitude which the American colonists had toward England changed
from one of trust to one of distrust; between these
two dates the Revolutionary idea was worked out.
Nevertheless it must be admitted that the factors which
were most important in its development were inherent in
the economic relations of the two countries, and were
but outgrowths of the conditions prevailing for thirty
or more years prior to Grenville's ministry. The
ideas of the preceding period were but pushed to their
logical conclusion. Keen observers had foreseen the
ultimate result and had predicted American independence,
but nevertheless it was in Grenville's administration
that we find the first agitations which had a direct
bearing upon the questions which led finally to the
rupture between England and America.

The beginning of such a movement should be
pregnant with interest. The measures which could
arouse the latent passions of two countries— the
motives which led to such measures, and the character
of the men who inspired them all should be worthy of
the closest study. George Grenville in himself em-
bodied the motives and measures of a considerable part
of England during this period and in his character we
find represented the dogmatic ideas of exact law.
The acts of his administration which relate to
America, therefore, may be considered as typifying those of the later period immediately preceding the Revolution. To know the questions of Grenville's administration and how they were looked upon by England and America is to understand in no small measure the principles underlying the whole contention and the attitude of each country toward it.

Since the ideas of one man are to be prominent in the following pages it would be well to know something of George Grenville: his family, his previous career and his prevailing characteristics. Burke has drawn the portrait of Grenville in words that shall ever be brought to mind when his character is discussed. "Mr. Grenville", said he in 1775, "was a first-rate figure in this country. With a masculine understanding, and a stout and resolute heart, he had an application undissipated and unwearied. He took public business, not as a duty which he was to fulfill, but as a pleasure he was to enjoy; and he seemed to have no delight in this House except in such things as some way related to the business to be done without it. If he was ambitious, his ambition was of a noble and generous strain. It was to raise himself, not by the low, pimping politics of a court, but to win his way to
power through the laborious gradations of public service; and to secure to himself a well-earned rank in Parliament by a thorough knowledge of its constitution and a perfect practise in all its business'. It is not often that failure comes because of minute knowledge of the business to be conducted, and yet Burke believes that Grenville's failure was because 'he was bred in a profession - the law. Passing from that study he did not go very largely into the world; but plunged into the business of office, and the limited and fixed methods and forms established there'. Although much valuable knowledge can thus be acquired, 'men too much conversant in office are rarely minds of remarkable enlargement. Their habits of office are apt to give them a turn to think the substance of the business not to be much more important than the forms in which it is conducted. Mr. Grenville thought better of the wisdom and power of human legislation than in truth it deserves'.

This did Burke characterize Mr. Grenville and it is a point often made that he should never have been given an administrative office. Let us first however review his previous career and see whether by training, if not by habits of mind he was fitted to conduct the business of government successfully.
George Grenville was the second of the five children of Richard Grenville and his wife Hester, co-heiress of Viscount Cobham of Stowe. Richard, the eldest, attained the peerage through his mother and was famous as Earl Temple. George attained the highest office in the realm; James, the third son, was a politician and place holder nearly all his life; Henry also held places under the government and was Governor of the Barbadoes, member of Parliament, Ambassador to Turkey, and Commissioner of customs. Thomas distinguished himself as a naval officer, but was killed in the action off Cape Finisterre. Hester, the only daughter, married Wm. Pitt in 1754, became Lady Chetham in 1763, and was noted for her business ability as well as for her devotion to her husband. Thus the immediate family was one of much political importance, but George Grenville himself had ability sufficient to give him place without the influence of family. The famous brotherhood - Temple, Pitt, and Grenville - had at one time and another almost unlimited power, - while the "Cobham cousinhood" was always a factor in political manoeuvre. Lord Mahon 1 writing of the period 1767-8 says: "The fate of the nation seemed to hang suspended.

1. Mahon V. 204.
on the gout (Pitt's) and the Grenvilles. Whether one sick-man did or did not feel a living in his foot at Hayes — whether that sick man would or would not shake hands with his brother from Stowe (Temple) or his brother from Wotton (Grenville) — such are the things to be treated as the most important state affairs.

But such power come only after long years of service. Grenville entered Parliament in 1741, ten years later than Pitt. They were both in the "Boy Patriot" movement against Sir Robert Walpole. The attack was bitter: Pitt especially incurred the hatred of George II at this time, and had to resort to strategic measures to secure appointment even when conditions had changed. Grenville and Pitt both opposed the foreign subsidies — an interesting fact in the light of later experiences, when the two men broke their friendship because of differences on the question.

In 1744 Grenville became one of the lords of the admiralty under Pelham; On 1747 he was made a lord of the treasury, and in 1754, in the Duke of Newcastle's administration, was appointed treasurer of the navy and was sworn into the privy council. He had shown remarkable talent in parliamentary affairs and it was at this time that Pitt said of him: "Mr. Grenville is
on the peace of 1763, on the Wilkes case,— on the American question,— and although there was no more occasion for subsidies, the war being over, that still remained a source of contention between them.

Soon after Grenville's elevation to the seals, the question of the peace came up. For the double reason that Lord Bute, whom the king had now raised to the head of the government, considered Grenville too weak to carry the peace through the Commons, and because Grenville's support of it was half-hearted at the best, he had to resign his secretaryship and go to the admiralty. The situation was peculiar; but still stranger things were to happen. Bute, who had been tutor to the king held the highest office in England. Perhaps his ambition was satisfied; perhaps the duties were irksome; perhaps the growing opposition was galling: at any rate he resigned without warning, and George Grenville, April 16, 1763 became Chancellor of the Exchequer and First Lord of the Treasury.

The fitness of Grenville for these offices has been defended,— and we can agree with Wedderburn who said in 1775: "He passed by regular gradations from one office to another. Whatever related to the marine of this country he had learnt during his attendance at
universally able in the whole business of the house and after Mr. Murray and Mr. Fox is certainly one of the best parliament men in the house.

The next year, 1755, Grenville was dismissed, because he refused, along with Pitt, to support the Russian subsidy. In 1756 he regained his place only to lose it again; but in 1757 he returned to it and pushed bills of much importance to the navy. This office he held until Pitt's resignation in October 1761.

The political situation need not here be given in detail. George III, coming to the throne in 1760 began to break the absolute supremacy of the Whigs by separating that party into factions, hoping ultimately to be able to concentrate the power in his own hands. The Pitt-Newcastle coalition seemed all powerful, but one by one the cabinet drew away from Pitt, and when he urged that war be declared upon Spain, only his brother-in-law Temple supported him. They both resigned. Here was the cue for Grenville to do likewise. He refused:—he became leader of the House of Commons and in the next spring, upon Newcastle's resignation, became one of the Secretaries of State. From this time until 1768 Pitt and Grenville were not only political, but personal enemies. They differed
the Admiralty. The finances he had studied under an able master at the Treasury. The Foreign Department was for a time entrusted to him. The proper business of this House was for several years his particular study". If Grenville failed therefore it was not because of lack of previous experience.

With this sketch of his life in mind we must proceed to consider those things which linked his name with America and which left an indelible stamp on the history of England and America.
Commercial Policy of Grenville.

The struggle between England and France which was known as the Seven Years War found its beginning in the quarrels between the French and English in America; the conflict was taken up by the northern countries not on account of the border strife in America; that was but a pretext for a war which would decide for once and all the supremacy of the one or the other in commerce and in the colonies. France's hopes for a large colonial empire were ruined forever; England's colonial and commercial supremacy was just beginning. Pitt's was the hand that guided the English through the most perilous and most glorious years of the war; and the exultant feeling of the English people has an echo in that inscription on a statue erected to his memory. "He made trade flourish by means of war". Opening up new avenues of trade he showed England the way to become the greatest commercial nation of the world. His successors realized the opportunities to extend the English trade that lay before them; the king hoped to cultivate the art of peace in such a manner as might most effectually contribute to
extend the commerce and to augment the happiness of his kingdoms. But the commerce of Great Britain did not rest upon the conquests of a successful war: behind this stood something which was held to be the palladium of English commerce - the Acts of Navigation. These acts made the mercantile or colonial system possible. Such a system made the grand business of government raising money, and increasing the revenues by every possible means. The value of everything was estimated in its effect in this way. Especially was the value of America thus estimated and the "Navigation Acts regarded English America as mere plantations, tracts of foreign country, employed in raising staple products".

The colonial system was the logical outgrowth of the economic ideas of the time: colonies were helpful only in so far as they increased the amount of gold or silver in the mother country, for wealth consisted in the possession of bullion or specie. The Spanish colonies were rich in gold and silver; the English colonies were not. England therefore found it necessary

4. Egerton short Hist. of British colonial Policy. p.182
to devise some means of extracting gold from her colonies and this end the Navigation Acts, the acts of trade and manufacture, the enumeration laws, and the sugar act had in view. The exclusive carrying of all the produce derived from the colonies was given to English or American vessels whose owners and three fourths of whose seamen were English. Further England exercised the monopoly of supplying the plantations with such European goods as they might need; certain manufacturers were denied to the colonies; certain of their products could be sent only to England.

The Sugar act of 1733 standing somewhat alone, imposed a duty of 6d. per gallon upon every gallon of molasses and 5s. upon every hundred weight of sugar, shipped into any of the British plantations from the foreign colonies. This act would have been a grievance, particularly to the New England colonies had it ever been enforced. An early American writer said that it "hath never in any degree increased the royal revenue, or brought any real advantage to the Mother country. Neither hath it been at all more beneficial to the British sugar colonies, at whose instance it was procured". Moreover "the merchants, unwilling to quit a trade which was in a great measure the foundation of their circle of commerce have gone into
many illicit methods to cover them in still carrying it on: while the custom house officers have made a very lucrative job of shutting their eyes, or at least of opening them no farther than their own private interest required. 1 The English colonies, particularly those in the north, offset their importations from England by trade with foreign countries and the foreign colonies in the West Indies, and the destruction of this trade by the enforcement of the many acts which together made up the colonial system the colonists thought would prove ruinous to the existence of all their commerce. So long as the connivance of the customs office continued this trade flourished and little complaint of the sugar act was heard.

That the acts of trade 1660-1760 with the exception of the acts prohibiting iron and steel manufactures, worked no hardship on the colonies in America is becoming accepted idea, 2 but there are some difficulties in the way of a complete acceptation of this view. So long as the acts were not enforced, certainly no hardships were entailed. Although the sugar act was not carried out, the remaining acts relating to trade were enforced to a

certain extent. The greatest amount of illicit trade was carried on with Holland. Forbidden to buy any foreign produce from any continental power, the advantages gained by such a trade were such that the laws were disregarded. The mere fact that merchants were willing to take the risks attending a smuggling trade shows that the English monopoly was a burden, and to the argument that the system of drawbacks was such that Americans could buy continental and East India goods from England cheaper than could the people of England it is only necessary to answer that even then the Americans could smuggle goods in from Holland more cheaply still.

The situation changed in 1760; in this year Geo. III came to the throne with the express idea of carrying out his exalted ideas of the kingship. This involved not only his cabinet and the parliament over both of which he assumed dictatorial control, but also America. He did not desire to establish personal control over America, but did insist upon a more complete subjection to England which necessitated a strict enforcement of all laws affecting the colonies. Thus the Navigation Acts, causing little feeling before, now became the fountain head from which all grievances sprung, and being and through all, the cause of the American Revolution is to be
found in the British trade policy. The beginning of a new era is marked by the struggle over Writs of Assistance. In essence general search warrants, Pitt ordered these Writs to be issued that he might, by allowing the revenue officers to institute thorough searches for smuggled goods, stop a nefarious trade: the French, at war with the English and Americans, were supplied with provisions by Americans. Harsh measures were justified, but the colonists denied the legality of the Writs, and they made a determined but unsuccessful struggle against them. James Otis' chief claim to fame rests upon his speech in opposition to these writs, and with it John Adams dates the beginning of the Revolution.

This was the general trade situation when the war closed in 1763. Geo. III had been king three years and was succeeding admirably in his endeavors to break up parties with the view of concentrating power in his own hands. In March 1762 the old Whig ministry fell, and the king's favorite, the Earl of Bute, became first minister. George Grenville broke away from his lifelong friend and became one of the Secretaries of State, but owing to his aversions to the peace and the fear that he would be unable to carry 1

Life and Works X.-183.
the House with him on the subject of the peace, he was forced to leave the cabinet ministry, and became the first lord of the admiralty. It is in this position that we first connect him with America.

On March 24, 1763 the House of Commons granted leave that a bill be brought in for the improvement of His Majesty's revenue of customs; and for the prevention of the clandestine running of goods into any part of His Majesty's dominion. George Grenville was a member of the committee to draft the bill, which was reported not by Grenville, but by Mr. Martin. It passed without delay through the Commons and Lords, and on April 19, received the assent of the king. The act provided for the use of ships of war in suppressing illicit trade, and has been looked upon by some as "degrading the distinguished character of a British naval officer because the active, zealous courage which had been accustomed to the conquest of an enemy was now to be exerted in opposing a contraband trade, and to find a reward in the seizure of prohibited commodities". The employments of a tide waiter or a revenue cutter has but little of the pomp and circumstance of war, it is

2. Anderson Hist. of Com. IV. 64.
true, but nevertheless the collection of the revenue is of first importance and the use of any government agency for the purpose is not to be condemned.

Mr. Grenville's department was vitally affected by this act, for within his jurisdiction lay the direction of the men of war designed to intercept contraband trade; he was even desirous of building up a revenue, and it is idle to say that he was not in favor of such an act, especially since he was a member of the committee which drafted it. The procedure of the House of Commons, however, provides that the mover of a bill shall report it from committee; thus Mr. Martin, not Mr. Grenville, was the originator of this act. Mr. Martin was at that time, one of the Secretaries of the Treasury, an office he had been given by ex-chancellor Legge; he was a plain honest man - afterwards noted for his duel with Wilkes, and still later for his opposition to Grenville's policy in regard to the regency act.

American smuggling was not especially mentioned in this act: there was evidently no intention to direct it, therefore, against the violations of the Sugar Act - a purely American practice. The trade of England was

1 Walpole's Memoirs, Passim.
more directly affected by the trade with Holland, which interfered with the English monopoly. The trade with Holland was so profitable both to the merchants and to the general population that ingenious methods were devised to carry it on. "One method", wrote Governor Colden of New York, \(^1\) "was by ships from Holland taking on a double cargo, one part of which was entered and the duties paid in Britain; the other part pretended for some foreign part and was accordingly reported in the ports of Great Britain. Cargoes were thus carried into some of the American ports under pretense of the ships being chartered from Holland to one of the Dutch Islands with leave to touch, in her passage, at the port where her owners lived - which saved them from the officers in case the landing of the goods was not discovered. This sort of trade was seriously hampered by this new act".

The credit for the enforcement of this act belongs to George Grenville and his administration. Three days before the king gave his assent, Grenville became first minister, combining in himself the offices of Chancellor of the Exchequer and First Lord of the Treasury. He was pre-eminently a finance minister, and

was constantly revolving in his mind some scheme for the improvement of the finances. It is told of him that at a concert, one evening in the midst of a bravura, he addressed his neighbor in his usual loud monotonous voice on the subject of some grand fiscal scheme. This auditor sought a pretext to shift his place, whereupon the financier possessing himself of pen ink and paper committed his thoughts to writing, making the pianaforte at which the singer presided serve for a table. A man so exact, so methodical and with no thought but the enforcement of law and the increasing of revenue would leave untried no means to check illicit trade: especially since he had an abhorrence for such a trade wherever found.

The smuggling act was soon put in force; some attempts to enforce the Navigation Acts by means of naval vessels had been made before this. West India merchants complained Apr. 20, 1763 that men of war under orders they had received to prevent contraband trade had interrupted commerce with the Spanish main. It seemed not to be the intention to interfere with this traffic and relief was probably given.

The act was put in force in America by a circular of Lord Egremont, dated July 9, 1763. He notified the

1. Albermarle Memoirs of Rockingham, 1.-57 Foot-note.
2. Grenville's papers, 11.-48 Jenkinson to Grenville Apr. 20, 1763
colonial governors of the new measures, which seemed to meet the approval of the governors. Governor Colden of New York replied; "I can't imagine any method for suppressing the trade with Holland which can be more effectual than this law taken by His Majesty's ships of war". The board of trade sent further instructions. They showed how the revenue of the colonies had not kept pace with their developing commerce, and how the customs did not yield one quarter part of the cost of their collection. They required the suppression of illicit traffic, and to give the custom officers aid and protection, stationed war vessels on the coast. That these measures were effective is shown by a letter from Colden, Dec. 7, 1763 which says that "since His Majesty's ships of war have been stationed on the coast, this practise (of smuggling) has been prevented by their putting hands on board suspected vessels before they got into port". The colonists seemed to make no particular complaints against this act, but there was in it a basis for grievances; the stopping of the Holland trade, which made money for the merchants, and saved money for all the people, could not promote the best of feelings. The smuggling act of 1763, however, was lost sight of; succeeding legislation

1. Arnold Hist. of Rhode Island, ll. -246
stirred up opposition indeed. The measures relating to the West Indian trade, and the proposal of a stamp tax stand out as Grenville's most important measures.

The Sugar Act of 1764 was important because it affected, first, the New England colonies; second, the foreign West India Islands; and third, England herself.

The West India trade was needed by the New England colonies that a balance of trade be maintained. They had but few articles salable in England; on the other hand they imported very largely from England; and the balance was secured in a trade with the foreign islands. To them they carried lumber of all sorts, fish of an inferior quality, beef, pork, butter, horses, poultry, and other live stock, - an inferior kind of tobacco, corn, flour, bread, cider, vegetables of all kinds, and small inexpensive vessels; for these they received gold and silver; in fact so much of the circulating specie of the colonies came from the Spanish Islands that the Spanish milled dollar was the real basis of the colonial money, as it was later the basis of the coinage system of the United States. They also received molasses; it was in this return cargo that the evil lay. The articles sent to the Islands were not "enumerated", and hence did not have to be sent to
England, but a return cargo was necessary; the duty on molasses was prohibitive; and hence the West India trade, if carried on at all, was necessarily a smuggling trade.

The trade was, if not essential, at least a great benefit to the French and Spanish islands. At the close of the Seven Year's War France could not be brought to any concessions in the West Indies; the English, however did not press the point because they were certain that the French power there could never be formidable because the existence of the French Islands depended upon the British settlements in North America. The French laws, in addition, prohibited the importation into France of her colonies' molasses, and the New England colonies were the market for this, practically their sole product. The Spanish colonies too, were dependent upon America for her supplies, and the trade was kept up in spite of the fact that their government was making stronger efforts than was England to suppress this trade.

The trade, finally, was essential to England; this is clearly shown in a letter of Governor Colden. "May not a colony", he writes May 9, 1764 (the day before the act of 1764 was proposed)" consisting of great

1. Annual Register 1762, p. 60.
2. Anderson Hist. of Com. IV.-63
numbers of freemen, who consume a vast quantity of the manufacturers of Great Britain, though this colony raise no staple which can be imported directly into Great Britain, be more useful to her than a colony, which raises a considerable staple, imported into Great Britain, and this staple is entirely raised by the hands of slaves who consume very little or none of the manufactures of Great Britain.

"Is it not the interest of Great Britain to encourage all the means which the colonies consuming her manufactures take to pay for these manufactures, when those means are not prejudiced to the commercial interest of Great Britain? The lowering in our sugar colonies the price of sugars can not be prejudicial to this commerce.

"Since the northern colonies found means to carry their produce into the foreign colonies the price of labor and of provisions have risen to nearly double what they were before that time. The high price of labor makes it impracticable in the colonies to interfere with the manufactures of Great Britain. It is evident to a demonstration that the more trade the colonies in North America have with the foreign colonies, the more they consume of British manufactures.
But if they should be reduced so low that they cannot purchase clothing, they must make them, and be content with what they can make.

"As the French and Spanish governments do not permit us to trade with these colonies, the trade with them from the northern colonies is carried on in small vessels, and that the sugars imported by these small vessels may be transported to Europe it is necessary that the merchants have leave to shift them from the small to larger vessels without paying any duty; as the act now stands, foreign sugars pay no duty if not landed.

"May it not be proper to allow Spanish vessels from their colonies to trade with the northern colonies, for they can import no European manufactures, and that the government be allowed to suffer such trade."

Calden's argument for a greater freedom of trade is reinforced by the statistics of trade; in 1764 England sent goods to the amount of $459,000 to New England colonies; New England sent goods to the amount of $88,000 leaving a difference of $371,000 to be made up by indirect trade. It is not too much to say that the great part of this balance was made up in forbidden trade, and in traffic with the foreign sugar colonies.

To return to Grenville; we have seen how he enforced
the act of 1763, affecting as it did contraband trade throughout the empire, but so far as America was concerned, effective particularly as to the trade with Holland. We have now to follow his course and its results in regard to the West India trade.

Grenville did not devise the act of 1764 which revised and perpetuated the sugar act of 1763. In March 1763 Chas. Townshend, president of the Board of Trade, worked with all his powers to pass an act, reducing the duty on molasses from 6d. to 2d., with the idea both of making smuggling unprofitable, and of getting considerable revenue. It seemed for a time as if he might succeed, but parliament was prorogued before the measure passed. When Grenville became first minister the next month, Townshend withdrew, and the question of revenue seemed to start again from the beginning. The last of three questions sent by Lord Ergemont to the Board of Trade, May 5, 1763, was: "In what mode least burdensome and mostpalatable to the colonies can they contribute towards the support of the additional expense which must follow their commercial and military establishments upon the arrangement which your lordships

shall propose."

The Earl of Shelburne was, succeeding Townshend, president of the board of trade; there was at that time some dispute between Lord Shelburne and Lord Egremont. The king was advised by Lord Mansfield to favor Shelburne, in order to play them one against the other, and thus retard the power in his own hands. In this political situation, inspired by the king, Shelburne replied to Egremont, saying that the taxing of America was a point of the highest importance and declined to implicate himself further.

The quarrel between Shelburne and Egremont grew. Egremont was disliked by the king, and a change was imminent when Egremont died, Aug. 20, 1763. Shelburne was instructed to treat with Pitt and Temple. On three days Pitt's carriage was seen at the king's door, but terms could not be fixed and the old administration was patched up by the entrance into it of the Duke of Bedford; Halifax became Secretary of State for the Southern department; the Earl of Hillsborough succeeded the Earl Shelburne at

of the board of trade. It is a fact worthy of note that in Pitt's negotiations with the king there is no

1. New York Doc. VII. - 519
2. Grenville Papers 11. - 238
3. Bancroft V. - 136
record of any discussion relative to America. Of like interest is the fact that in the Grenville papers there is but one reference to America in the correspondence of Grenville for 1763 and ten months of 1764.

"On March 1764 Grenville opened his budget fully" says Walpole, "for brevity was not his failing, but he did it with art and ability". He reviewed the state of the finances and then opened his plan for collecting a revenue from America. His object was to make them maintain their own army. "In the last war", he said, "they had never contributed to their army at all". a statement not borne out by the facts. He added that the extraordinaries of the American war had cost England 36,000£ a year, and he closed with a plan for preventing the colonies from trading directly with France, Holland, Portugal, or the French islands.

To understand Grenville's motives in preparing new measures of taxation it is necessary to understand the condition of the finances at this period of his ministry. England had just come through a successful but expensive war: new lands had been gained, but a great debt had been incurred. Grenville had to face

\^Walpole Memoirs of Reign of George III. I,-309-10
\^Walpole I.-310.
the double problem of framing governments for the conquered territory, and of meeting the debt. The condition of the treasury must have been appalling to one of Grenville's frugal temperament. During the years 1750-1755 the annual supply ranged from 2,000,000L to less than 5,000,000L; during the war from 10,560,000L to nearly 20,000,000L. The supply for 1764 was nearly 8,000,000L more than three times that for 1755. The explanation for the increase is simple: in 1755 the debt of England was about 72,5000,000L with an annual charge of 2,600,000L. Jan 5, 1764 the total funded debt was nearly 130,000,000L; the unfunded debt over 9,000,000L—the exact total being 139,561,807L, upon which the annual charge was 4,668,179-110, over one-half of the supply granted for 1764. In addition to the expenses arising out of the war the civil lists always exceed the 800,000 allowed. It generally reached a million and sometimes a million and a half. The civil charges in 1764 reached 1,137,000L. Moreover the cost of the American establishment helped to bring about the increase in expenditures. At the time of the peace of Aix La Chapelle the cost of the American

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1 Annual Reg. 1764 p. 156
2 Diwell, Hist of Taxation 11.-128.
3 McPherson Annals of Commerce 111.-407-8
4 Wetson Nat'l Budget
establishment had been 70,000£: at the time of the peace of Paris it was 350,000£: quite a substantial increase. At the close of the war Lord Bute had been forced to lay a cider tax: it had been necessary for the government to raise money by two lotteries, each for 350,000£: the land tax could be made no higher than it was; additional import duties were laid, and still new taxes were needed. Grenville's plaint "Where, tell me where to lay new taxes" was not the jest Pitt made of it. But it was for Grenville himself to find a new place for laying taxes - America.

As soon as he became the head of the treasury, he looked into the matter of American revenue. He found that for the large expense of the colonies, England received a direct return of 2,000£ or 3,000£ in customs, which cost England 7,000£ or 8,000£ to collect. Immediately he ordered the custom officers who, regarding their offices as sinecures resided in England, to go to America or give up their places. But the condition of the American revenue was even then not satisfactory, and the act of George III. cl5 and the proposal of a stamp tax were his attempts to better it.

The act of George III. cl5 reduced the duties

1 Lechy Hist. of Eng. in 18th Century ill.,-347.
2 Grenville papers 11.,-113.
on molasses shipped from the foreign sugar colonies from 6d. to 3d.; levied a duty on sugar of 1-2s. above all former duties; levied a duty on indigo, coffee Madeira wine, wine from Portugal or Spain, Persia's silks and calico, French lawn and pimento. It provided that men of war might be used in its enforcement; provided for the establishment of vice-admiralty courts, and required that the duties should be paid in hard money. 1

This act was of a new kind: when Webster 2 said that the Americans made war on a preamble he had this act in mind. The old sugar act of 1733 3 recited, "whereas the welfare and prosperity of your majesty's sugar colonies in America", and "whereas the planters of the said colonies have of late years fallen under such discouragements" certain regulations even necessary. Compare this with the preamble of Grenville's act: "whereas it is expedient that new provisions and regulations should be established for improving the revenue of this kingdom", and "whereas it is just and necessary, that a revenue be raised in your majesty's said dominions in America, for defraying the expenses  

1. Eng. Stat. 4 Geo. Ill. c 15
2. Works 4-109.
3. Eng. Stat of Geo. 11 c 13
of defending, protecting and securing the same" certain
duties be levied. Enforcing the idea that the revenue
was for America only, Section 11. provided that all monies
collected by the act should be entered apart from all
other monies paid or payable to His Majesty, and should be
reserved to be, from time to time disposed of by Parliament
towards defraying the necessary expenses of defending,
protecting and securing the British colonies and planta­
tions in America.

This is the first act relating to colonial trade
that has revenue for its first principle. Immediately the
colonies admitting the right of England to regulate trade,
denied her the right to tax it. The English did not
recognize any difference, and claimed that the difference
was that between imposing taxes and collecting them.¹
The difference had been recognized, however by others;
Montcalm, as early as 1756 noted it and wrote that
"England will one day lose her colonies. As to the Eng­
lish colonies one essential point should be known: it is
that they are never taxed. They kept them to themselves;
an enormous fault this, in the policy of the Mother
Country; she should have taxed them from the foundation:
I have certain advice² that all the colonies would take
fire at being taxed now." Franklin, as late as April 1764
took a clearer view of the situation. "It is very
¹. Knox. Controversy with the colonies p. 44
². Egerton 178.
possible", he wrote, "that the crown may think it necessary to keep troops in America henceforward to maintain its conquests, and defend the colonies; and the Parliament may establish some revenue arising out of the American trade to be applied towards supporting those troops. It is possible too that we may, after a few years, be generally very well satisfied with the measure." Franklin evidently foresaw some opposition, but did not see the outcome so clearly as did Montcalm: the people did "take fire" at being taxed, and accused Mr. Grenville of taking away their freedom, and considered him as the determined, implacable enemy of their liberties.

The practical workings of customs levied by this act as shown by statistics furnishes room for some peculiar speculations. We have estimated the importance of the trade with the West Indies, illegal though it was. The traders were perfectly willing to pay a lower duty and had petitioned Parliament to reduce the rate, that they might be free from the charge and trouble of clandestinely importing foreign molasses. They were not, however, willing to pay the tax levied by Grenville, nor were they willing to obey a tax imposed for revenue purposes and when they learned that Grenville's policy was one of

1. Franklin Works IV.-238
2. Knox Controversy
3. Hutchinson Works. 108 p. 44.
enforcement, more alarm was felt than at the taking of Ft. Wm. Henry in 1757; had the duty been reduced to a penny and a half no alarm would have been felt because there would be no object then in avoiding it. The most stringent enforcement of the act brought in only 2,000.

That the revenue was no larger seems to indicate that the smuggling still continued, or taking the more prevalent view, that it was stopped; at any rate the duty was not paid. Hutchinson, however, wrote that "it is undoubtedly true that the customs officers did not pretend to collect the full duty, more than three half-pence per gallon seldom being collected. If however, this were true for the revenue would have been greater; when the duty was lowered to 1d., the income amounted to 17,000L. Considering that the naval officers were very diligent in carrying out their instructions, going so far as to seize Spanish vessels, and the further fact that the act yielded but little revenue, it seems as if the conclusion must be that little smuggling was done.

The destruction of this trade has been held to have destroyed the trade of New England. The Annual Register

2. Lecky 111.-373
3. Hutchinson 109
4. Lecky 111.-373
5. Shepherson 111.-399
describes the situation in these words: The inhabitants of our North American colonies, disabled by the restrictions laid on their trade to the French and Spanish West India islands to pay their Mother Country for such goods as they hitherto used to take from her are come to a resolution to manufacture for themselves. In the meantime they have laid aside all those superfluities of dress, such as mourning in black, with which their own manufactures can not supply them. They also have several works of iron, McPherson says, "The effects of the restrictions upon the trade of the northern colonies were such as were scarcely expected on this side of the water. Because the wool of the American sheep is much inferior to English wool, it was rather rashly supposed, that the people of America must continue to wear English cloth; not adverting that, if they could not pay for cloth made by others, they must of necessity wear what they could make themselves, and that, where all wore coarse cloth no one could be ashamed of the use of it. Besides, they were already so much indebted to the Mother Country, that if the sources of their remittances were to be cut off, there must immediately be an end of importation, whether they chose it or not"

This is the logical conclusion which would be drawn from the situation at large; unfortunately however the statistics of trade do not bear out this statement. In

1. Annual Reg. 1764 p. 107
2. McPherson 111/-399
1763. the value of goods sent from England to America was 1,631,000L; in 1764, 2,250,000L, in 1765, 2,000,000L. The values of exports from America for the same year were 1,106,000L, 1,110,000L, and 1,157,000L — each year a large balance was found in favor of England. The act 4 George III. c 15 did not go into effect until September 29, 1764, and hence did not influence trade for 1764. The increase for this year is probably due to the fact that the war was ended and commerce was safer. It can hardly be explained by the fact of the non-importation agreements; they were neither general enough nor was there sufficient time that year for the merchants to become well stocked before non importation was effective. There was a slight decrease in 1765 after the act went into effect but it can be explained upon some other basis. The New England trade was the one most effected; and there non-importation was presumably most agitated. But here again let us look at the statistics. In 1763 New England imported goods to the amount of 258,854L; in 1764, 459,765L, and in 1765, 451,299L. There is a decrease of 8,000L after the sugar act went into effect, and the next year, 1766 there was a decrease of 40,000L, but even then the trade is much larger than in 1763. There is a further

peculiarity in that the general decrease of imports in 1765 is due to Va. and Md. whose trade fell from 515,192L in 1764 to 363,368L, and to New York, whose trade fell from 515,416L to 383,349L and these colonies were not directly affected as were the New England colonies by the destruction of the West India trade. There is no material decrease in the exports of Va. and Md; in 1765 they had a balance coming to them from England of 120,000L. It seems strange that the New England colonies whose source of remittances was so effected should buy but little less, while the imports of unaffected colonies should show a material decrease, especially when there was no corresponding decrease in exports.

There is still another step in the solution of the effect of the act of Grenville. The burden of the act fell finally not upon the colonies, but upon England herself. New England had no means to make up the balance of trade so she bought on credit; Dickinson, writing in 1765 said that these remained due to the English merchants from America the sum of four million sterling,¹ for which fact he held the act of trade responsible. In England this was felt severely; in Birmingham in Dec., 1765, some thousands of artificers were suffering for the want of remittances from America, and from the fear of sending goods

¹. Dickinson Writings I. 53
This state of affairs is borne out by the petitions of both the English merchants and the American colonists against the stamp act, and on the debates in Parliament in 1766. The Annual Register says that the colonists were then indebted to the merchants of Great Britain to the amount of several million sterling, which they were willing to pay but could not owing to the disturbance of their trade by the act of 4 George III. c 15. The first result is hardly the one expected; this act brought no duties into the English exchequer; it did not decrease the importations of New England; but it did leave the English merchants and manufactures "holding the sack"—and finally, started that discussion of the right of Parliament to tax the colonies which was settled only by the event of the war itself.

It would be manifestly unfair not to give Grenville credit for the acts passed, which were helpful to American commerce. South Carolina and Georgia were granted the right to carry rice to the other colonies in America to the West Indies, and to European countries south of Cape Finisterre; a bounty was placed on the importation of hemp, as well as upon rough and undressed

2. Parl. Hist. XVI. 206
3. An. Reg. 1766 p. 36
flax, from the American colonies, and most important of all, and according to Bancroft "the most liberal act of Grenville's administration" was the one passed for the encouragement of the whale fisheries. This branch of trade produced annually 300,000 and gave employment to many shipwrights and other artifices and to 3,000 seamen.

Whatever the actual result of these acts, there can be no doubt that Grenville was honest. No better defence of his policy can be given than his own:

"I have been abused in all the public papers as an enemy to the trade of America. I have been particularly charged with giving orders and instructions to prevent the Spanish trade, and thereby stopping the channel by which alone North America used to be supplied with cash for remittances to this country. I defy any man to produce any such orders or instructions. I discouraged no trade but what was illicit, what was prohibited by act of Parliament". "On the other hand I offered to do everything in my power to advance the trade of America."

Allied closely to this question of trade is another which worked serious hardship but which seems to have been given little study:— the question of paper money. The

1. Eng. Stat. 4 Geo. III. c. 26
2. Bancroft V. 185
3. Eng. Stat. 4 Geo. 3 c. 29
4. Bancroft V. 185
 Colonists had early felt the need of a greater volume of money and had turned to bills of credit secured by taxation. These bills were at first very insecure and upset the finances of the colonies; being "cheap money" they drove out the specie. Parliament took up the question a number of times early in the eighteenth century. In 1748 when it seemed as if Parliament would abolish them, petitions poured in from all sides of the colonies, protesting against such a bill, and for the time the matter was dropped.

The colonies tried several banking schemes: Massachusetts particularly was interested, and established a Land Bank, abolished by Parliament in 1741. In 1751 Parliament again took up the question of bills of credit and partially abolished them; in 1764 the abolition was made practically complete.

It was argued that the bills were a disadvantage because of the different values attached to the notes of the various colonies; and because there had been losses on account of the insecure basis of these bills; that is, some colonies instead of levying taxes to meet expenses had merely issued a new series of notes which had no substantial backing. These bills were largely done away with by 1764.

The bills made a circulating medium in the colonies,

and this they needed. However unsound such bills may be
from the economist's point of view, there are times and
conditions which make an artificial money necessary.

Combined with the provision that required all duties
to be paid in hard money, this act caused a dire state
of finances. The specie was drained from the country
by means of the customs, and a reduced circulating
medium was the result. Pennsylvania petitioned Parliament
for redress. 1 New York wished the restrictions removed:
the paper being sunk in 1766 that the country was left
without any medium of commerce" for there has been very
little silver to be met with, and at present, the province
(is) greatly distressed for want of a proper currency. 2
This condition was general and Franklin made the state-
ment that there was not in the colonies enough gold and
silver to pay the stamp duties,- probably an exaggeration,
but indicating the lack of metallic money.

Grenville's acts of trade, and the act for prevent-
ing bills of credit passing as legal tender were of the
greatest importance. Both were unfortunate in their
results, and were directly responsible for the ill feel-
ing that came so suddenly to the surface at the time of
the passage of the Stamp Act.

2. N.Y.Doc. VII.-821-Gov. Moore to Board of Trade,
   March 28, 1766.
The Stamp Act.

At the close of the Seven Year's War the colonies, said Franklin in 1766, submitted willingly to the government of England, and paid obedience to the acts of Parliament. They had a respect and an affection for Great Britain, for its laws, its customs, its manners, and even a fondness for its fashions. That the attitude was different at the time he spoke he laid to the restraint upon trade, the prohibition of making paper money and the demand for a new and heavy tax by stamps. These acts were all carried through Parliament by George Grenville, but the willingness shown by the gentry of England to shift a part of the taxation to America, and the evident desire to make the colonies and plantations bear at least a part of the cost of their establishment show that only a leader was necessary for the passage and enforcement of such measures. Grenville had a definite colonial policy; one phase of it was to compel America to support herself: the enforcement of the Navigation Act, the revision of the Sugar Act, the abolition of the sine-

Examination before Parliament.
cures in the customs houses in America were all phases of the same question.

The revenue problem is one which confronts every government in one form or another: the revenue may be too large and the surplus become dangerous to monetary conditions, but more often the revenue is too small and the interest on the public is so large that new and extraordinary taxes must be devised. "There is no art", says Adam Smith in connection with the introduction of stamps as a method of taxation, "which one government sooner learns from another than that of draining money from the pockets of the people". Stamps had to be affixed to certain papers to insure their legality in France and Holland, and in England as well. That they were not also used in America before Grenville’s ministry is not due to the fact that no one had thought of such a course: in 1739 the governor of Pennsylvania suggested the establishment of a body of troops along the frontier to be supported by Parliamentary duty on parchments. Walpole admitted that he was not courageous enough to attempt such a scheme, and nothing was done. In 1759 measures for a colonial tax were considered, but the idea was abandoned. ¹ It was proposed to Pitt that he, as he said, "burn his fingers with the American Stamp Act." ² That

1. Lecky 111. -341-2
2. Chatham Correspondence.
Bute contemplated some such measure shows itself in many ways, and had he directed the government through another session of Parliament, it is probable that a stamp act would have been passed. When Grenville became minister the matter was pressed upon him. In a letter from a certain Mr. M'Cullagh he was urged to put a stamp duty on vellum and paper in America, and a draft of such a bill was enclosed. The other members of the cabinet were favorable to such a measure: Lord Halifax because of his advocacy of the Stamp Act had sometimes been said to be its originator. The factor, however, most important of all was the Secretary to the Treasury, Charles Jenkinson, who had been with Bute and remained with Grenville. Jenkinson and Grenville together were responsible for the final proposal that a stamp duty be laid on America.

On the 22nd of September 1763 three Lords of the treasury, Mr. Grenville, Mr. Hunter and Lord North, met and directed Jenkinson to write to the commissioners of the stamp duties directing them to prepare the draft of a bill to be presented to Parliament for extending the stamp duties to the colonies, which he did the next day. The proposition is then lost sight of until Grenville opened his budget in the committee of the

1. Bancroft V., 88 Note
2. Grenville papers I., 373 Note: Bancroft V., 138 Note.
3. Bancroft V.
whole house, March 10, 1764. On the 19th the financial scheme was presented in the form of twenty-four resolutions by Mr. Wheatley, the chairman of the committee. The fifteenth resolution was, "resolved, that towards further defraying the said expenses, it may be proper to charge certain stamp duties colonies and plantations".

The resolutions were read a second time, and most of them were ordered to be drafted into bills. The fifteenth however, being read the second time, was merely agreed to without any order being made upon it. 1 "This was an independent substantive resolution followed by nothing": but it involved the whole legal status of the colonies. It was resolved, at the close of the night and at the rising of the House: so that every body must have taken it as a clear thing, that Parliament could at any time come to a resolution upon any general point of law whenever they should see it expedient so to do". 2

The House of Commons in the resolution declared not only for a new tax, but assumed the power to levy such a tax.

Grenville apprehended that the colonies might stir up opposition if they were not consulted before the tax was imposed. For a year he had been hearing more or less of the American contention — that Parliament had no power

1. Journals House of Commons 29; 935.
2. Parliamentary History.
to tax America without her consent, and he put off the imposition of stamp duties for one year in the hopes of lessening colonial opposition. In pursuance of this plan he called the American agents together and announced his intention of laying a stamp duty, by act of Parliament, in the ensuing session. He showed them that the finances demanded assistance from America, and defended the stamp tax as the most equitable and least burdensome. "I am not, however," he said, "set upon this tax. If the Americans dislike it, and prefer any other method of raising the money themselves, I shall be content. Write therefore to your several colonies, and if they choose any other mode I shall be satisfied provided the money be raised".

He showed, moreover, that the expenses of America borne by England amounted to 350,000£: the stamp act was designed to raise only 100,000£ and would not be felt in the colonies. He was too, "willing to consult the ease and quiet, and good will of the colonies", and for this reason had suspended the passage of the act, but the colonists believed that the suspension amounted only to this "that if the colonists will not tax themselves, as they may be directed, Parliament will tax them".

How much freedom Grenville intended to give the colonies is a matter as yet undetermined. From this

1. Leckey III.-347 based on Maduit's letter.
2. Leckey III.-348 reply of Mass to Maduit.
correspondence it would appear that he would leave the whole question in the hands of the colonists if they would but raise the specified revenue. Knox in his "Controversy" supports this view and adds that Grenville warmly recommended to them the making grants by their own assemblies as the most expedient method for themselves. This would be in accord with the regular method for obtaining support from America. The custom had been for the occasion of a requisition to be considered in Privy Council. The Secretary of State was directed by the council to write circular letters to the governors, who were to lay the matter before their assemblies. It has been asserted, however, that Grenville had a particular dislike for this method of raising money and preferred parliamentary taxation. In fact he pointed out the difficulty of this to the agents, asking them how requisitions or any such sort of tax would be apportioned among the different colonies. His probable intention was that the colonies, if they did not like the Stamp Act, should propose some other tax, to be laid by Parliament, and not to be left with the colonial assemblies.

After the interview with the agents nothing seems

1. Controversy P.
2. Franklin's letter in Hart's contemporaries II.-P.
3. Burke's speech on American taxation.
to have been done for some days: On July 2, 1764, Jenkinson called Grenville's attention to the matter, writing, "In the last session of Parliament you assigned as a reason for not going on with the Stamp Act, that you waited only for further information on the subject. This having been said should not government appear to take some steps for that purpose: without information we may perhaps be accused of neglect."\(^1\) The tone of this letter does not leave much doubt as to the ultimate passage of the Stamp Act; nevertheless in accordance with the desire for information, the Earl of Halifax on August 11, 1764 sent a circular letter to the governors in America and the West India Islands asking them\(^2\) to "transmit to him without delay a list of all instruments made use of in public translations, law proceedings, grants, conveyances, securities of land or money within the respective governments, with proper and sufficient description of the same in order if Parliament should think proper to pursue the intentions of the Stamp Act resolution, they might thereby be enabled to carry it into execution in the most effectual and least burdensome manner." Such information would show nothing of the temper of the colonies, and but points to

1. Grenville papers 11.-373.
2. N.Y.Doc. VII.-646.
the conclusion that Parliament would pursue the "intentions of the Stamp Act resolution".

The colonies in the meantime, notwithstanding the fact that some of the agents had gone so far as to approve of the Stamp Act, began to send letters and petitions to England. The Massachusetts House of Representatives proceeded to appoint a committee to draft a remonstrance: this is the first instance of such action being taken by the lower house alone, and a heated controversy with the council and the governor was the result. James Otis' pamphlet on the "Rights of the Colonies" was sent to England with the Massachusetts letter of remonstrance; it contended for representation of the colonies in Parliament and represented that if such a plan were adopted the troubles concerning the authority of English legislation would then be over. It produced such an effect that Mr. Grenville was disposed to adopt the measure, and it probably would have been considered had not the colonists themselves soon declared against it. The Pennsylvania assembly resolved "that as they always had, so they always should think it their duty to grant aid to the crown according to their abilities, whenever required of them in a constitutional manner,"

1. Hutchinson; Minst 11.
2. Hutchinson 112.
3. Franklin's letter, 12 March 1778 in Harts Cont. 11.-382
and sent Franklin to present this resolution to the ministry. Such action was deemed reprehensible by England and on Dec. 11, 1764 the Board of Trade reported to the king that the assemblies of Massachusetts Bay and New York had in their resolutions and proceedings treated the acts and legislatures of Great Britain with most indecent disrespect. The privy council advised that the king give directions that the same be laid before Parliament. Instead of helping their cause the colonies seemed to hinder it with their remonstrances and petitions.

Parliament assembled January 10, 1765. The king in his opening address promised that he would ask no supplies other than such as were necessary for the establishments which had already met with approval, but he urged that the attention hitherto shown for the improvement of the public revenue and the diminution of the debt be continued and that every proper measure which the state of his dominions and the circumstances of the times might require, be pursued. The condition of the finances had changed but little in the last year; the debt, almost 140,000,000 Jan. 1764, was reported the same a year later. His Majesty's chancellor of the exchequer and first lord of the treasury, Mr. Grenville,

was not a man who would let Parliament forget the dire state of finances, nor was he a man to let opposition daunt him in the performance of his duty to the king and the treasury.

In February 1765, the colonial agents for the last time had an interview with Grenville. He maintained that it was the duty of his office to manage the revenue, and since no better act had been proposed than that of levying stamp duties, he would be compelled to see it through the Parliament. On February 6, therefore, the order of the day being read for the house to resolve itself into a committee of the whole to consider further of ways and means for raising the supply, the house was moved that the report of March 10, 1764 which was made from committee concerning the proper method of raising a revenue in the British colonies and plantations be read. The committee was then instructed to take the report into consideration. On the next day, Mr. Whately, Chairman of the committee reported fifty-five resolutions pertaining to different articles which were subject to a stamp duty. The resolutions were read a second time, and it was ordered that a bill be brought in, to be prepared by Mr. Grenville, Mr. Hunter, Sir John Turner, Mr. Whately, and others. The bill was reported on February 13th by the Chancellor of the Exchequer; on the day of
the second reading February 15th four petitions were presented. One was from persons carrying on trade with Jamaica, and was soon withdrawn; the others were from Virginia, Connecticut and South Carolina. Edward Montagu, agent for the province of Virginia, sent in a petition, praying that the house "take their unhappy circumstances into consideration; and that their House of Burgesses may be continued in the possession of the rights and privileges they have so long and uninterruptedly enjoyed; and that they may be heard by their counsel against any bill that may be intended to charge stamp or any other duties on the colony of Virginia". The governor and company of the English colony of Connecticut prayed that "the petitioners may be indulged in the exercise of the power of laying all internal taxes on the said colony; and that the resolution of this house in the last session of Parliament may not be carried into execution by a bill for imposing stamp duties on the colonies". Three gentlemen "in behalf of themselves and of the rest of the inhabitants of South Carolina" petitioned that "the house will not approve of any bill that may be offered, charging stamp duties in the province of South Carolina". The motion for the bringing in of these petitions were in each case negatived, because of

a rule of the house that forbade the reading of petitions or money bills. Moreover these petitions "asserted the right of freedom imposed by taxes, on the very grounds of the proceedings which the board of trade had transmitted to the king; they were rejected by Parliament, not from ignorance of their contents, but because their contents were known; because they denied the power of Great Britain". 1

The bill then passed to the second reading, and was again referred to the committee of the whole house, where several verbal amendments were made, and the twenty-first consideration of the act was resumed, when a clause exempting warrants for bounties, proclamations, forms of prayer, etc. was added. Also a clause allowing the rather than sworn Quaker to be affirmed, and one exempting the papers published in Canada in some foreign language from double duty; on the 27th of February several minor alterations were made, and the bill finally agreed to by the Commons. Taken to the Lords it passed without debate or division, and the king's consent in commission was given March 22nd.

There was little discussion in the lower house during the passage of the bill. Mr. Pitt was at his home, ill. Mr. Conway may have opposed it. Alderman Beckford, we learn from a letter written March 7, 1765 apprehended he should increase considerably the number of opponents

to that measure, if he could contrive to convey an impression that the taxation of America was not desired merely for its own sake, but as a preliminary also to the taxation of Ireland". He presented this view of the case but was only laughed at for his pains. To a statement of Grenville that the "Americans were children of our own planted by our care, nourished by our indulgence", Col. Barremade an impassioned reply,—and that is the only record we have of the debate, which on the whole was particularly languid and uninteresting, and the minority on the one division of the bill amounted to no more than forty.

The act itself is long and tedious, differentiating many kinds of skins, parchments, vellums or papers, specifying over fifty species of documents subject to the stamp; the tax varied from 1/2 d. on half sheet pamphlets to 1/16 per sheet for licences, appointments, or admission of any counsellor, solicitor, attorney, advocate, or proctor to practise in any court or of any notary within the said colonies and plantations. Between these limits were taxes on legal paper of all descriptions, on sellers of wine and liquors, on playing cards, dice, or money paid to learn a trade, or advertisements and almanacs (with a double tax on pamphlets and the...

1. Parl. Hist. XVI.-34.
almanacs published in a foreign tongue.) Some legal papers were exempted; no stamps were necessary for probate or wills of seamen dying in the king's service; on proclamations, and printed notes of assemblies. As an inducement to printers, lawyers and others who should use any quantity of stamps, it was provided that a four per cent rebate be given on a 5L purchase. The duties were to be under the supervision of the committee for the stamp duties in Great Britain, who were to appoint the proper officers and provide the stamps. The penalty for trying to evade the act was 10L and twice the amount of the stamp, while counterfeiting was punishable with death without benefit of clergy: a clerk accepting an unstamped paper for registry was liable to a fine of 20L. The price of stamps was subject to a change annually by the treasury department. The act provides further for the punishment of cases arising out of 4 Geo. 3 c. 15, and has for its ultimate aim the same thing as has this act;—the Sugar Act of 1764 providing that all money collected from the sale of stamps should be reserved to be disposed of by Parliament towards further defraying the necessary expenses of defending protecting and securing the colonies and plantations.

The Stamp Act caused the smouldering fire of wrath in America to burst into flames. Exasperated by the previous acts of Mr. Grenville, this one caused the pent up anger of the colonies to break out, unable longer to be controlled. The Stamp Act would probably not have caused any more discussion in America than in England had it not been for the Sugar Act; and had the colonies not claimed that it was the intention of the government to build up a system of taxation. This being the case the Stamp Act gave them something more tangible upon which they might build their arguments. There was a wide difference, they thought between a tax on trade for the purpose of legislation and one for revenue: there was a still greater difference between internal and external taxation: the latter they might now overlook since no new capital could be made out of the alleged differences in the different kinds of external taxes: the former, however presented some new causes of opposition. Internal taxation the colonists had never tacitly recognized; internal taxes, they began to agree, could not be levied with justice unless the colonists were represented in Parliament; this they soon charged to the absolute denial of the power of Parliament to levy internal taxes, which was now claimed as a right belonging solely to the colonial assemblies.
They gave up the idea of getting representation in Parliament, when that was a probability; and said "no, the colonial assemblies alone have a right to lay internal taxes upon us." Taxation without representation was not the real issue; taxation with representation was far different from self taxation, and it was the latter for which the colonists contended.

The furor in the colonies need not be here described in detail. Burning of the stamps, hanging in effigy of the stamp officers, placards of warning to the collectors, mobs and riots were common occurrences. The sacking of the house of Mr. Hutchinson, Chief justice of Massachusetts, shows to what extreme lengths the infuriated colonists would go. The more conservative element of the resisting colonists proposed a congress to which delegates from all the colonies should go. Twenty-eight delegates from ten of the colonies—the three not represented were however in accord with the movement—met at New York in October 1765 and drew up petitions and memorials to the king and parliament, and adopted a "declaration of rights and liberties", claiming "that no taxes ever have been, or can be constitutionally imposed on them but by their respective
The summer of 1765 was marked in the colonies by the beginnings of organized opposition; because the trade of the colonies was so different few of the acts of trade affected all the country alike. The Stamp Act enabled them to meet on a common ground, and to have common interests as against the interests of the Mother Country.

In England, meanwhile, the ministry of Grenville was about to fall. The correspondence of Grenville does not show that the affairs of America were of much importance. His time was spent in political measure and intrigue. At last the king grew tired of the leading ministers, Grenville and Bedford, who bored him with long lectures on all subjects. The climax was reached when the Regency Bill was under consideration. By careful stratagem the minister very nearly trapped the king into approving a bill which excluded his mother from the regency. When the king realized how near he had been duped he sent for Pitt,—the third time he had turned to the great commoner in two years. Pitt, pleading absolute dependence upon his brother-in-law, Earl Temple, who refused to become the head of the

1. Hutchinson's Mass. 479 Appendix. (Sec. V. of Resolves)
2. Grenville papers Vol. III. passim Mahon Vol. V. passim,
treasury, did not yield to the wishes of the king and the advice of his friends to form a government without Temple. George III. then turned to Lord Rockingham, who formed a "lute string administration - pretty summer wear, which could not stand the winter", 1 but a ministry pledged to take up the American question.

Grenville, during the negotiations, saw the king at times, and tried to force him into admissions of the efficiency of the Grenville government. George III. did grant several things, that in the two years Grenville had held his post, he had never proposed a measure which had not met with approbation, or to which His Majesty had ever expressed a dislike; and that Lord Bute had never intermeddled with the government since the entrance of Bedford into the ministry. Grenville then proceeded to mark out a safe path for the king to follow in dealing with America, saying 2, "he understood that the plan of his new administration was a total subversion of every act of the former; that nothing having been undertaken as a measure without His Majesty's approbation, he knew not how he would let himself be persuaded to see it in so

1. Mahon V. - 110
2. Grenville papers V111.1 215.
regulations
different a light, and most particularly on the con-
cerning the colonies; that he besought His Majesty, as he valued his own safety, not to suffer any one to ad-
vice him to separate or draw the line between his
British and his American dominions; that his colonies was the richest jewel of his crown; that for his own part he must uniformly maintain his former opinions both in Parliament and out of it; that whatever was proposed in Parliament must abide the sentence passed upon it there, but that if any man ventured to defeat the regulations laid down for the colonies, by a slackness in the execution, he should look upon him as a criminal and the betrayer of his country." With this parting advice Grenville left the king's service.

The next Parliament was flooded with petitions from America and from English merchants and manufacturers trading with America, praying for the repeal of the Stamp Act. The conditions attending English trade have already been pointed out; the merchants from all parts of England claimed that the Stamp Act was ruinous to their commerce with America; not because exportations from England to America were materially lessened but because payments were made more uncertain. There were,
however threats from America merchants that importations would cease were the Stamp Act not repealed, but that this threat affected trade is more than doubtful. Governor Colden wrote in December 1765 that "the authors of this seditious spirit in the colonies have extended their views even to Great Britain in hopes of raising a spirit of discontent among the manufacturers there. They publish in the newspapers that the importation of British manufacturers are greatly decreased since the duties on American trade and that the colonists are under a necessity of setting up the manufactures which they otherwise would import from Great Britain. What has been published of the manufactures lately set up an absolute falsehood, and yet they are not ashamed to publish them when they are known to be such. The merchants in New York and in some other places have entered into an agreement not to import any goods from England the next year unless the Stamp Act is repealed; this scheme is calculated solely to influence the people in England." Later he wrote, that he could not, "after the most serious reflection, imagine that the men who had excited a violent sedition in the people, some of them of large propriety, had formed any resolution

1. New York Doc. VII.-799
to revolt - their design being only to intimidate Parliament into a repeal of the Stamp Act." Intimidation, however was successful as is shown by the many English petitions. The merchants in Liverpool although agreed in deeming the repeal impolite, unconstitutional, and merely a temporary expedient which would embroil them more and more in the process of time, were nevertheless the very men who clamored as loud for that measure as the Americans themselves. If this was the general attitude of British merchants it shows how much effect the threats of the colonists had in provoking English opposition to the Stamp Act.

The king in his opening speech to Parliament December 17, 1765 laid special emphasis on American affairs, and promised that all papers relating to the Stamp Act should be laid before them. The Commons began the debate of the American question with the address of thanks. Pitt had asserted if he could crawl or be carried, he would deliver his heart and mind upon the

2. Parl. Hist. XVI.
state of America" and he took the very first opportunity presented to do so. Looking at Mr. Grenville he said, "every capital measure taken by the late ministry was wrong." Mr. Grenville answering, censured the new ministry for delaying to give Parliament earlier notice of the disturbances in America, which he said bordered on rebellion. "I cannot", he continued, "understand the difference between external and internal taxes". They are the same in effect, and only differ in name. That this kingdom has the sovereign, the supreme legislative power over America is granted. It cannot be denied; and taxation is a part of the sovereign power. It is one branch of the legislation. It is, it has been exercised over those who are not, who never were represented. Protection and obedience are reciprocal. Great Britain protects America; America is bound to yield obedience. When they want the protection of this kingdom they are always ready to ask for it. That protection has always been afforded them in the most full and ample manner. The nation has run itself into an immense debt to give them protection and now they are called upon to con-

tribute a small share towards the public expense, an expense arising from themselves, they renounce your authority, insult your officers, and burst out, I might almost say, into open rebellion. As this speech embodied the arguments for complete Parliamentary control over England, so Pitt's famous reply contained the arguments upon which opposition was founded. "If the gentleman does not understand the difference" said Pitt, "between internal and external taxes, I cannot help it. The gentleman asks when were the colonies emancipated? But I desire to know when they were made slaves?" He then pointed out the differences between legislation and taxation and also showed how the palatinates of Chester and Durham, which, Mr. Grenville, contended, were represented no more than the Americans, and yet bore the burdens of taxation, were not comparable to the American colonies. Finally he stated his platform. "It is, that the Stamp Act be repealed absolutely, totally, immediately. That the reason for the repeal 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 to every point of legislation whatsoever. That
we may bind their trade, confine their manufactures and
eexercise every power whatsoever except that of taking
their money out of their pockets without their consent."

The debate on the repeal of the Stamp Act did not
come up until February 24, 1766, when seven resolu­
tions relative to the disturbances in America were re­
ported from the committee of the whole house. The first
of these resolutions asserted the right of the king and
Parliament to bind the colonies in all cases whatsoever.
The last advised a repeal of the Stamp Act. The debate
centered around these two points, and long and heated
arguments took place in both Lords and Commons. The
issue was the same as had been laid down by Pitt and
Grenville, and we have now only to follow Grenville
where we may. In the commons he, with the late ministry
formed the bulwark of the opposition; in the lords,
Sandwich led the forces against the government, while
the ministerial party, reinforced by Pitt, advanced
the cause of repeal. In one of the discussions upon
the declaratory act Grenville exposed the "futility
of declaring a right which the government would not
dare to exert; and he pushed ministers home with giving

2. Walpole 11. 211.
up the brightest jewel of the crown, - the right of taxation. How would they justify it to His Majesty; how to future administrations".

When the house rose the crowd huzzaed Mr. Conway thrice; when Mr. Pitt appeared the whole crowd pulled off their hats, huzzaed, and many followed his chair home with shouts and benedictions. The scene changed at the sight of Grenville. The crowd pressed on him with scorn and hisses. He, swelling with rage and mortification, seized the nearest man to him by the collar. The fellow answered: "well if I may not hiss, at least I may laugh" - and laughed in his face.  

Grenville's attitude was so unpopular that his friends labored to persuade him to contest the matter no further: but it was too much for him, says Walpole, to give up his favorite bill, and his favorite occupation, talking, both at once. In no part of his career does Grenville show his characteristics so well. Believing he was right, he maintained his position in the face of bitter opposition and in spite of indignities heaped upon him both in debate and on the streets. Thinking that "both England and America were now governed by a mob" he, at times almost alone, stood against that mob:

and for the preservation of the full powers of the king and Parliament.

In a late debate it was moved that all votes of assemblies repugnant to the legislation of Great Britain be expunged. This was opposed on the ground that the declaratory act would be a mutual expunging of the resolutions, but "this George Grenville treated with much contempt, and as a mere evasion, and let loose all his invective against the ministers for reversing his Stamp Act".  

After the bill for the repeal was ordered to be brought in the opposition was not so pronounced and the ministry from the first had substantial majorities. In the third reading, however Grenville and his party made a last stand and obstinately contested the bill. The debate was marked by an exchange between Pitt and Grenville. After a few personal remarks touching Grenville Pitt, confident of repeal, exulted in his victory. "In the order and class of salutary and preventive things", he said, "I never felt greater satisfaction than in giving my vote for this repeal. America is over glutted with nothing but the Stamp Act. I have my doubts if there would have been a minister to

be found who would have dared to dip the royal ermines in the blood of Americans. This country like a fine horse, to use a beautiful expression of Job, whose neck is clothed in thunder, if you soothe and strike it, you may do anything, but if an unskilled rider takes it in hand he will find that, though not vicious, yet it has tricks. I repeat it, "I never had greater satisfaction than in the repeal of this act."

Grenville’s devotion to these principles which he believed to be right shows itself in his answer, and yet there is one petulant note, in the otherwise fine piece declamation. "The gentleman had doubted whether a minister would have been found to dip the royal ermines in blood:—no, sir, not dip the royal ermines in blood; but I am one who declare, if the tax was to be laid again I would do it; and I would do it now if I had to choose; since he has exerted all his eloquence so dangerously against it, it becomes doubly necessary. It is necessary from the increase of the debt in the late war; he knows I was against the enormous expense of the German war. Are all those boasted triumphs shrunk to the meanness of supporting such a measure as this. I envy not the popularity: let him have the bonfire: I rejoice in the hiss. Was it to do again, I would do it."
All opposition was fruitless: the repeal passed in the commons by 250 to 122: the majority in the lords was more than thirty. The declaratory act had no effect on the colonies: basing their arguments on principle, they did not object to the assertion in unmistakable terms of the very principle which they opposed. The real end for them was the repeal,—and that accomplished, nothing else was of importance.

England learned half of the lesson of the Stamp Act: no internal taxes were ever after imposed upon the American colonies. The rejection of this tax, however led to another attempt to obtain a revenue from trade under Charles Townshend in 1767, the effect of which was, more serious than that of any former imposition of taxes. The colonies learned the whole lesson: the trouble for the time was over, but it was found that by organized and united opposition the Parliament could be intimidated. The period of "passive resistance" was eventually to come to a close, and when the blunders of succeeding administrations led them to undertake an "active resistance" no lesson than that learned from the repeal of the Stamp Act was of more benefit to the leaders of the American Revolution.

1. Walpole 218.
There can be no doubt as to the attitude of Grenville, and his responsibility in the matter of the Stamp Act. His friend, Charles Jenkinson, who knew as much or more concerning the origin and course of the act than any one else, declared that the act was not Mr. Grenville's and he should not be held responsible for it.\(^1\) Granting that the original idea did not proceed from him, the very theory of the English Government, - that of a responsible ministry - is invalidated by any lessening of his accountability for the acts of his administration. That he performed his part in good faith is very apparent, but his obstinacy in refusing to take account of colonial opposition, claiming he had full information before passing the act and apparently willing to take all the risk of such action upon himself, shows his persistent devotion to an idea once formed. The Stamp Act was his great blunder, but until his death he stood for the principles of colonial dependence to the sovereign authority of the king and Parliament of Great Britain, which was at the root of all his colonial administration.

\(^1\) Grenville Papers 11.-375 Note.
Machiavelli in his "Prince" lays down the proposition that if an armed force be sent into an acquired province such a course will involve great expenditure, consuming the whole revenue of the province and will, moreover, give greater offence because the whole population will feel aggrieved by having the armed force quartered upon them. George Grenville did not move in the dark and subtle ways marked out in the "Prince" but these words of wisdom he might well have heeded. The result of his course was exactly the one Machiavelli pointed out: Revenue was consumed and the people aggrieved by the quartering of troops upon the colonies, but the establishment of troops in America was one of his fixed ideas. Such an attitude was natural at the time of his ministry: a long and successful war might easily cause men to exaggerate the importance of an armed force. The pomp and circumstance of military glory, however, was not the force that moved Grenville: circumscribed by his ideas of economy in expenditure, nothing but that which he believed a stern necessity would cause him to keep up an extensive military establishment. Indeed upon that very issue he had broken with his lifelong friend and colleague, Wm. Pitt. To obtain his point of view, we must review the American situation.

The Seven Year's War found the colonies willing and
able to take care of themselves when attacked by the French and Indians. There were, it is true, British troops in America, but in 1759 the colonies of New York, Rhode Island, Connecticut, Massachusetts, and New Hampshire furnishing 5,000 troops, while the total number of provincial forces reached 25,000. The colonies mentioned above received special payment to the amount of 200,000 L in both 1760 and 1761 for their military aid. At the close of the war the king recognized the services of his colonies, and in two sessions of Parliament he gave the following address: His Majesty being sensible of the zeal and vigor with which his faithful subjects in North America have exerted themselves in defence of His Majesty's just rights and possessions recommends it to this House to take the same into consideration: and to enable His Majesty to give them a proper compensation for the expenses incurred by the respective provinces, in the buying clothing and pay of troops raised by the same according to the active vigor and strenuous effort of these respective provinces seemed to merit." In accordance with these messages Parliament appropriated in both 1762 and 1763, 133,333 60 S 6d. This did not cover the expenses of the

1. H.O. papers 1760-65 Doc. 98.
2. House of Com. Journals 29-113
3. Am.Reg. 1762 167
   " " 1763 169
colonies, and for several years the war debt hung over them. It was proper that the colonists should bear a portion of the burden: the war was for them one of self defense: for England it was one of aggrandisement, but the increase of English territory by the accession of Canada was the end at which the Americans aimed. The colonists no longer feared the French aggression, and the dependence of America upon England was thus lessened - a fact seen by only a few at the time.

The colonists could not, therefore, see the necessity for the retention of English troops among them. One of the arguments for the acquisition of Canada rather than Guadeloupe, a much discussed question in England, had for its basis this very thing. Franklin in his tract on the question admitted that some few forts might be of use to secure the goods of the traders and protect their commerce in case of any sudden misunderstanding with the Indians, but he added "if these forts be maintained they would be best under the care of the colonies interested in the Indian trade and garrisoned by their provincial forces and at their own expense. Their own interest would induce the American government to take care of such forts in proportion to their importance, and see that the officers keep their corps full and mind

1. Works IV.-44 The interest of Great Britain considered with regard to her colonies etc.
their duty". Moreover "if Canada be retained by England the force now employed in that part of the world may be spared for any other service here or elsewhere; so that both the offensive and defensive strength of the British Empire in the whole world will be greatly increased." As for the Indians, he said "if they have no other European nation near that can either supply them or instigate them against us there is no doubt of their being always disposed, if we treat them in common justice, to live in perpetual peace with us." Unfortunately, however, as he admitted if the Indians wish to be war-like security will not be obtained by forts unless they were connected by a wall like that of China from one end of our settlements to the other.

The Indians did band together in a great conspiracy in the spring of 1763, and the whole western border was devastated by the inroads of savages. The settlements in the western country, in Michigan and Indiana were in particular danger, while the inhabitants of the western parts of Pennsylvania and Virginia were subjected to the raids of the Indians. This was the opportunity which the colonies had to show themselves capable of self protection, but the records of the time show a petulancy unworthy of an unlightened people.

Sir Jeffry Amherst was commander in chief of the forces in America; Sir Wm. Johnson was superintendent of
Indian affairs for the north district of America; their letters show the spirit and temper of colonists, contrary to expectation responded very tardily to the call for troops. Johnson had great difficulty to get the militia, already equipped, and with the pay of provincial troops, to guard several forts and protect communications. The province of Pennsylvania empowered the governor to raise seven hundred men. These were farmers and were intended to arm merely to defend their own fields, and not to fight actively. Virginia on the other hand raised about five hundred men to send north and an equal number to send south, which prompted Amherst to write: "what a contrast this makes between the conduct of the Pennsylvanians and the Virginians highly to the honor of the latter, but places the former in the most despicable light imaginable." Massachusetts did not send troops because she had managed to protect herself from Indians in times past without aid from the other colonies. Such conduct incurred the displeasure of the king, and Halifax sent reproving letters to the Governors of Pennsylvania, Massachusetts, Connecticut, Rhode Island, New York, and New Jersey.

This lack of support necessitated a formal call upon the colonies for two thousand men; the New England

3. N.Y. Doc. VII. 545 Amherst to Johnson Aug. 27, 1763.
4. N.Y. Doc. VII. 570 Halifax to Amherst Oct. 18 1763.
colonies were not included in this requisition and New York refused to grant the quota unless Massachusetts furnished troops. Such conduct on the part of the Americans cannot be condemned to severely; the petty jealousy and the lack of any feeling of responsibility show the colonial governments in a very bad light. The colonists depended almost entirely upon the English troops to put down the Indians. All the while the government hoped to be able to withdraw some of the regiments and orders had been given to that effect, but the continual uprising of the Indians and failure of the colonists to respond with forces made it impossible for the commanding officer to obey. Instead of reducing the force, reinforcements had to be sent: three Irish regiments were ordered to be in readiness to sail, but the orders were countermanded and a part of the Havana forces were sent to America. Under such conditions, not so certain as to the efficacy of provincial garrisons, Franklin wrote that the establishment of royal troops would give steady protection against foreign enemies, and security of internal peace without the expense or trouble of a militia. The affairs of the last year had undoubtedly shown him some advantages of a royal

1. N.Y. Doc. VII. 586
3. " " " " Doc. 971 973
establishment.

The Indian rebellion had just commenced when three questions relating to American affairs were sent by Lord Egremont, Secretary of State for the southern department to the Lords of Trade: the second of these questions was relative to the military establishment in North America. The reply of the board is indicated in a letter of Egremont to Amherst Aug. 13, 1763. "You will see", he wrote, "the general idea of the Board of Trade with regard to the stationing of the forces in North America, and though their lordships do not think they have as yet sufficient information to point out any certain number of troops to be kept in each government, yet you will, as far as it is consistent with the service in general, attend to what is suggested of keeping a large military force in the new government, and the placing of such garrisons as you shall in your direction think proper in the forts already erected and propose to be kept up for the security of the Indian trade".

The plans of the government were, therefore to place the troops in the newly established government west of the Alleghanies. At the same time military protection was being provided, a policy of conciliation was undertaken, the king issued a proclamation, Oct. 7, 1763, forbidding

1. N.Y.Doc. VII. p.538.
the settlement of lands outside the organized governments or west of the sources of the rivers which flow into the Atlantic from the west and northwest, and ordered the removal of the settlers already there. This was a perfectly sane policy: there was some opposition to it in the colonies because it cut off the opening of new land, but as a measure of protection against the Indians it was well advised and designed to give greater security to the people of America.

There were reasons other than the Indian outbreak, which lead to the establishments of troops in America; nor was that policy supported by Grenville alone. Before the ministry of Grenville and before the conspiracy of Pontiac the agitation was begun. In March 1763 Welbore Ellis, the Secretary at War, brought forward the army estimates which included the proposition of stationing ten thousand men in America. There was little opposition to this for Chas. Townshend was devising a scheme to make America support her own troops. Indeed there were objections that such a force was not large enough; Pitt was one who approved of the measure, as far as it went, but wished more troops alloted to America.  

1. Walpole 1-194
2. Bancroft V.-86
because he deemed the peace hollow and insecure, and he
desired a strong force ready when hostilities should com-
mence again. From one point, even from that of America,
there was reason that a standing army be maintained in
the colonies, especially in the new lands in the west
so lately rescued from the French. Grenville was not
averse to this establishment, but immediately he began to
shift the burden of its support from England to America.
He ordered that the allowance for victualling the regi-
ment s stationed in the cultivated parts of America be
withdrawn: this expense to be met in the future by the
colonies.

The end of hostilities with the Indians caused no
diminution of the English troops, but new methods for their
support were devised. Grenville's act revising the old
Sugar Act of 1733 was designed for the express purpose of
collecting revenue to be applied on the cost of the American
establishment; for the same purpose was the Stamp Act
proposed in 1764, and passed in 1765. These measures were
opposed not only because they were deemed unconstitutional
by the colonies, nor because they worked serious hardship
on the trade of the northern colonies, but because the
revenue would be drawn from the seabord territory, and
spent in the conquered colonies where the soldiers were,

1. Walpole 1-194
2. Bancroft V.-109
while
and the seaboard colonies had no trade with the west by which the money could be brought back. Had the soldiers remained in the west and not been stationed in the old governments, the troubles which arose later might have been avoided. The army force was ordered to aid in the collection of customs; the resistance to the Stamp Act made it necessary for the governors to call upon General Gage for support and protection. These two things caused troops to be established along the seaboard where the provisions were insufficient for their maintenance.

This condition was met by the extension of the Mutiny and Quartering Act. Such a law was made necessary by the provisions of the Bill of Rights which forbade a standing army in time of peace. Parliament however provided from year to year for a standing army, and for its government. To grant to the king power to put down mutinies and to quarter the troops, the Parliament passed a Mutiny Act to be in force for one year. The necessity of such provision was one of the assurances of the annual parliament. The Americans objected to the enforcement of annual Mutiny Act in America. The Secretary of War upheld them maintaining that the mutiny act did not extend to America except in those clauses in which it was specified to extend to the plantation or to His Majesty's dominions beyond the sea, and the clause relative to
American troops acting in conjunction with the British forces. General Gage and the Deputy Quartermaster of the forces in North America represented "the necessity of making some additions to the mutiny act, in order to adapt it to the circumstances of the troops and inhabitants of the country and to put a stop to the increasing difficulties which the service meets with." Mr. Ellis writing to the Earl of Halifax, said he thought it necessary and proper to set the forces in America upon the same footing, or as near as circumstances will admit, with the king's forces in Great Britain. "As the public houses in America" he writes, "are few and unable to contain the troops, it will certainly be useful and necessary for the magistrates there to have power given them to quarter the troops upon private houses, when there are no barricks, or where the barricks and public houses cannot contain them". Such a suggestion showed that Halifax was not in the slightest degree in touch with colonial feeling, but there were others in high power who recognized the gravity of the situation, and had too keen an appreciation of the English constitution to yield such a point. Even the king was alarmed, and enclosing the letters that had passed between Lord Halifax and the Secretary at War

wrote to Grenville as follows: Lord Halifax appears to disregard the noise that may be made here in Parliament by extending the quartering of soldiers in private houses in America. As I think that at a time like this all measures should be duly weighed before they are undertaken, I send them (the letters) to you before I return them to the Grenville office". Answering the king's letter, he wrote: "it seems to me that the clause which your Majesty mentions for the extension of the power of quartering soldiers in the private houses of America, is that which is by far the most likely to create difficulty and uneasiness, and therefore ought certainly to be thoroughly weighed and considered before any step is taken in it, especially as the quartering of soldiers upon the people against their will is declared by the petition of right to be contrary to law."

George Grenville thus viewed the question in a far different light than had Lord Halifax. Grenville very seldom showed any appreciation for the American point of view, but in this matter he was guided by the probable effect of the act. In addition he regarded the act as a lawyer and found Lord Halifax' scheme contrary to the constitution. The question had then to be set-

1. Grenville papers III. - 11
2. Grenville papers III. - 12
tled in some other way. On March 11, 1765 Lord Halifax ordered Mr. Ellis to prepare and bring into Parliament a bill to extend the Mutiny Act to North America, which would provide not only for the carrying out of the act at the posts which were under some civil jurisdiction but also those posts in the lands reserved for the Indians.

On March 29, leave was granted that such a bill be brought in, and Mr. Ellis was ordered to prepare it. He reported it April 1, the bill passed through the Commons and Lords and received the assent of the king May 15, 1765. During the progress of the bill, the agent of Virginia presented a petition against it, which was not read. There was considerable discussion concerning the right to billet soldiers on the march in private families.

The question in the Mutiny Act is, in the last analysis, not one of the constitutionality of quartering soldiers upon a people, but one of taxation. The act provided that the soldiers be quartered, first in the barracks, second in inns, livery stables, ale-houses, victualling houses, etc., third, in uninhabited houses and out-houses, barns or other buildings, which the

1. H.O. papers 1760-5 DoS. 1671
2. H. of C. Journals XXX. -321,426
local magistrates were required to furnish. The act further provided for the victualling of officers and soldiers; the men in the second class of quarters were to be "furnished with diet and small beer, cider, or rum mixed with water"; if the soldiers and non-commissioned officers in these quarters wished to prepare their own food the innholder should furnish candles, vinegar, and salt and small beer, or cider, not exceeding five pints, or half a pint of rum mixed with a quart of water; the soldiers should also have use of fire and necessary utensils for cooking and dressing of meat. For the men in barracks and uninhabited homes, the same supplies, with the addition of bedding were required. Section VII provided "that the respective provinces shall pay unto such person or persons all such sums of money so by them paid, laid out, or expended, for the taking, hiring and fitting up such uninhabited houses, etc., and for the furnishing the officers and soldiers therein, and in the barracks with fire, candles, vinegar, and salt, bedding, utensils for dressing victuals, and small beer, cider or rum: and such sums are hereby requested to be raised in such manner as the public charges for the provinces respectively all raised". Furthermore the act provided that the officers might require justices of the peace to provide carriages, carts and wagons for the
use of His Majesty's forces in their marches, or for their arms, clothes, accoutrements", the colonies to pay all the expenses arising out of such accommodation at a rate fixed by the act. This act was to be enforced for two years, March 24, 1765 to March 24, 1767.

The colonists were generally too much agitated over the Stamp Act to make any immediate complaint of this mutiny act. They did claim, however, that the clause which subject the provincces ... to furnish the soldiers with beer, cider, and rum in barracks, barns, etc., was an imposition. The New York assembly went so far as to pass the following resolutions when they were called upon to raise the expense of quartering the troops.

1. That when His Majesty's forces were quartered in barracks belonging to the king, they were always provided with the required necessaries, without any expense to the colonies in which they were quartered. 2. Therefore, since they were barracks belonging to His Majesty in New York and the city of Albany, sufficient to accommodate double the number of forces contained in the returns laid before the assembly, an application to them appeared altogether unnecessary. 3. That the expenses of troops passing through the provinces ought to be considered after such expense was incurred. The New York assembly

1. H.O.Papers 1766-69 Doc. 58
later passed unanimously an act which provided barracks, fire wood, candles, bedding and utensils for the kitchen for the king's troops, but did not make provision for furnishing salt, vinegar, cider and beer, because these articles were not demanded for troops lodged in barracks in Europe. The government demanded full acquiescence, contending that the "usage of the other parts of His Majesty's dominions is the legislature has thought fit to prescribe different regulations", had nothing to do with the question. The controversy with New York was the only one of any consequence arising out of the mutiny act, but this assumed such propositions that the Parliament suspended the New York assembly until it would fulfill all the requirements imposed by the act.

It is very probable that the bill did not have the entire support of Mr. Grenville, but there was no mistaking his attitude when the trouble came. Governor Pownall made a strong speech against the bringing in of a bill suspending the assembly of New York; he was answered by Mr. Ellis and Mr. Grenville, the two men who were directly responsible for the act.

Pitt was the nominal head of the government at

the time of the discussion. Writing to the Earl of Shelburne he said: "the petition of the merchants of New York is highly improper: in point of time, most absurd.
In the extent of their pretention they were most excessive, and in the reasoning, most grossly fallacious and offensive". The New York assembly was suspended by Pitt's government. That Grenville's measure was supported by later ministries shows that it was not contrary to the general opinion of what was just and necessary for the government of the colonies. The real danger, as the colonies saw it, was that the method adopted for the support of the troops would lead to the colonies being some time or other taxed internally by the Parliament of Great Britain. In reality the mutiny act was but another way of maintaining the American establishment. Passed at the same time as the Stamp Act there were three acts providing for the support of the colonial expenses: The Act of Trade, (4 George III. c 15,) The Stamp Act, and the Mutiny Act, which required the provinces to house and to provide for a part of the victualling of the troops.

The position of the colonies was a peculiar one: They were required in the first place to keep an army they did not want; in the second place the troops were to be

2. Chatham Con. III.-191 Letter, Shelburne to Chatham, Feb. 6, 1767.
used to force an obnoxious task upon them; thus they were taxed to help enforce a tax. That more colonies did not make special trouble because of the mutiny act is perhaps due to the concentration of opposition upon the Stamp Act, and to the feelings of delight which were inspired by its repeal, an exhilaration which caused the possibilities and of the declaratory act to be overlooked brought about a state of calm until Charles Townshend renewed hostilities by his famous measures of taxation.
CONCLUSION.

"Nothing could ever induce me to tax America again, but the united consent of King, Lords, and Commons, supported by the united voice of the people of England. I will never lend my hand towards forging chains for America, lest in so doing I should forge them for myself."¹ Such was the stand taken by George Grenville at a time when his influence was to be felt but a short time longer; and after the measures he had favored had worked their disastrous effects. Let us review his previous statements made both in and out of office and when he was looked upon as the champion of a strict American policy. When he, as first minister, opened his first budget, March 1764, it was his expressed aim to force the colonies to keep up their own army: for this purpose he paid particular attention to the acts of trade and their enforcement. His course in relation to the Stamp Act, and his utterances at that time are wholly at

¹ Mahon V. - 175.
variance with the statement with which we begun.

Out of office Grenville had ample opportunity
to reiterate his ideas on the American question. In
the debate on the repeal of the Stamp Act he said he
rejoiced in the fact that he had laid the tax, and
were the opportunity his, would do it again. The
discussion aroused by the failure of the New York Assembly
to conform to the provisions of the Mutiny Act found
him urging the suspension of the assembly for its dis-
obedience. These acts we have already considered; let
us pass to his later declarations.

January 27, 1767 he wrote to the Earl of Buckinghamshire:¹ "Yesterday
and to-day we have had some debates in the House of
Commons on the estimates for the American troops, and
the enormous expense attending them, amounting in the
whole to above 400,000L, or near a shilling in the
pound on the land. This I proposed should be all de-
frayed by America and the West Indies." Mr. Townshend
in answer to this, though he refused to consent to it,
yet held a very strong language that America ought to
pay that expense, and disclaimed in very strong terms
almost every word of Lord Chatham's language on the

subject, treating his Lordship's distinction between Internal and External Taxes with the same contempt as I did, and calling it absurd, nonsensical and ridiculous to the highest degree." It was this same debate of which Beokford wrote Pitt: 1 "We had a great debate yesterday on the army. George Grenville proposed saddling America with 400,000£ per annum for the support of the troops, quoted acts of parliament and journals, but was so miserably mistaken in law and policy that he was little attended to. I believe he got nothing by the contest; if possible he was more fell and rancorous than usual." Grenville did not, however, give up his contention and repeated later in the same year that "he, as an individual would never depart from the ground taken to assert and establish the entire sovereignty of Great Britain over her colonies." 2

The next year he reviewed the whole situation again: Writing to Pownall July 17, 1768, he said: 3 "As to the question of our Parliament's granting to America a competent number of representatives to sit in our House of Commons, you are no stranger to the declarations I repeatedly made in the House at the time

1. Pitt's Correspondence III.-178
2. Lathian Mss. p. 279.
3. Grenville's Correspondence III.-316
when the repeal of the Stamp Act was agitated that if such an application should be properly made by the colonies to Parliament it would in my opinion be entitled to the most serious and favorable consideration. I am still of the same opinion. As to what relates personally to me I have done my duty by endeavoring to assert the sovereignty of the King and Parliament of Great Britain over all the dominions belonging to the crown, and to make all the subjects of the kingdom contribute to the public burthens for their own defence according to their abilities and situation. I thought that we had the clearest right imaginable, and that we are bound by every tie of justice and wisdom to do this, and I am convinced it would have been accomplished, without any considerable difficulty, if America had not received such encouragement to oppose it from hence, as no other people would have resisted. To this the present confusion is entirely owing, nor will it now cease if we shall run into the contrary extremes of violence on the other side. Nothing but a plan of wisdom, justice, moderation, and firmness can now extinguish the flame which has so weakly and so wickedly been raised within and without the kingdom."
There are two more expressions of opinion by Mr. Grenville which are worthy of mention: the first had to do with the debate on the occasion of the denial by the New York Assembly of the right of Parliamentary taxation, when he said, March 14, 1769, that there was no medium to be observed; that we must either resolve strictly to execute the revenue laws in America, or else with a good grace give up our right entirely and repeal the declaratory laws and revenue laws directly. The second was in reference to the repeal of the American Tea Duty Bill, March 5, 1770. "Whenever the affairs of America," he said, "are agitated in this House, I am, in some measure called upon to speak because the principal confusions of that country are supposed to originate with me. I can, however, safely aver, that if the Stamp was injudicious in the mode, it was at least salutary in the intention, and meant for the common good, both of the mother country and the colonies. In laying this tax I imagined that every part of the British empire was bound to furnish its portion for the general prosperity, and I could not see any violation committed upon American freedom by an immediate tax

1. Parl. Hist. V. XVI.-p. 605
upon the property of the colonies, when they cheerfully submitted to our laws which regulated the acquisition of that property. Besides this, to use the chief argument of the Americans and to admit that the happiness of this country is inseparably connected with the welfare of the colonies, I considered that they had the best of all securities for our never exercising the right of taxation improperly, the security of our own interest; this was to be relied on, even if our justice was to be questioned, and though we might be wanting in equity to them, it could not be expected that we should be deficient in consideration for ourselves." He charged the ministers with proceeding without system, and after a bitter arraignment, concluded: "I cannot on the one hand suppose that a partial repeal of the present tax will reduce the colonies to temper, nor on the other by forcing government into a total repeal, can I suppose that we have sufficiently provided for the dignity of the nation."

It must have been with considerable surprise that only a few days after Grenville made this speech, the members of Parliament heard him make the statement with which we started. Weary of the strife, perhaps, he was driven to believe that he had proceeded too
hastily - not because of colonial opposition, but because of the bitterness his policy had caused in England. He did not say that the consent of the America was necessary for him to undertake to lay taxes, but only the united consent of King, Lords and Commons, and the people of England. Throughout the whole controversy Grenville took the view that without Pitt, Barre, without Burke, without Rockingham, without, in fact, that body of men who espoused the American cause, there would have been no resistance in the colonies. This puts the American Revolution upon a broader plane: it was a civil strife, the basic elements of which were found in the factional differences of English parties. These differences were but transferred to America and became actual rebellion.

But how much responsibility must we place upon Grenville? In how far did his private habits of mind control the political situation during the two years of his ministry? The judicial temper of his intellect, its mechanical and exacting methods were too often evident in his administrative measures. His love of precedent and of rule would have made him a most famous presiding officer, directing the movements of a deliberative body. These same qualities were not the ones that would make
for the fame of an administrative officer, who must shape politics to suit conditions regardless of precedent and law. The historian, the judge, the presiding officer must know the past and be guided by it; it is the business of the statesman, however, not only to know the past, and allow that knowledge to lead him in directing the present, but he must be able to forecast the future. His measures must suit future conditions.

Here Grenville failed. The American question was one in which the established order of things was at variance with the situation as it existed and was to exist. It was but natural that a man of Grenville's temperament could not see the best course and therefore could not be forced to deviate one jot or tittle from the frigid system of precise law even when the welfare of the country demanded it.

Grenville's important measures have been considered: they are closely related and have a direct bearing one upon another. His scheme for obtaining revenue from commerce, whatever may have been its real effect, had the ostensible effect of damaging trade; the latent wrath caused by this became active and open with the passage of the Stamp Act. Open resistance had to be put down, and therefore the Mutiny Act was extended to
America. After he had lost power Grenville for five years held to the ideas which had impelled him during his ministry. Those five years saw the development of his ideas but, when developed to their fullest extent, he realized his mistake. He had learned that the taxing of America was a serious thing, and should be attempted only after all opposition at home had been reconciled. Not until five years after Grenville's death was there any actual fighting, but his responsibility lies in the fact that the measures of his administration drew out the latent feelings of unrest which ultimately caused that open resistance to the authority of England and brought about armed rebellion and American independence.
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