

from
**RESOLUTIONS FOR AMERICAN
DUTIES**
1764

----- *Members of the British Parliament* -----

Britain and France fought each other over territory in America during the 1740s and, most intensely, from 1757–1763. Britain prevailed, but accumulated a large war debt while providing colonists with military protection against the French and against Native Americans. In the following excerpt, members of the British Parliament consider the option of taxing the colonies to help decrease the war debt.

THINK THROUGH HISTORY: Evaluating Decisions

Should the British Parliament have raised taxes on the colonies? Why or why not?

Mr. Grenville...

The House comes to the resolution to raise the revenue in America for defending itself. We have expended much in America. Let us now avail ourselves of the fruits of that expense. The great object to reconcile the regulation of commerce with an increase of revenue. With this view particularly desirable to prevent intercourse of America with foreign nations. And yet many colonies have such a trade. Such a trade has been opened by three or four colonies with France to the amount of £4 or 500,000 a year. Great attention given to prevent this practice by giving directions to the commissioners to prevent smuggling. This has been attended with success, the proportion from England has increased. But this is not enough; you must collect the revenue from the plantations.

First object would be to permit West Indian trade, at the same time to regulate the other. To allow certain commodities from the French islands which are absolutely necessary, but to give a preference to our own colonies' manufactures by paying duty upon the others....

Molasses and indigo to have a higher tax if coming from foreign colonies. And this to be put on enumerated commodities which are not at present.

Encouragement intended to be given or at least thought of to our northern colonies. Bounty on flax and hemp. Duty taken off on whalebone. Bounty to be taken off on beaver exported from here.

Expense of maintaining 10,000 in North America, amount £359,000. The troops £250,000. Victualling, Surveying North America £1818.

That no ships shall be cleared out [of] North America unless shall unload all

her goods and take her clearance out for the whole and pay the duty for the whole.

Wines, to admit the wines from Portugal and Spain to go through with no other duty but the old subsidy of about £3.10.0, and a small duty of 10s. upon its coming to North America. And to lay a duty on Madeira wine imported there which was the only wine they had a right to.

To lay a higher duty on East Indies silks and calico and cambrics exported to North America. Foreign goods exported to North America pay now only half the subsidy; now they shall pay the whole subsidy.

Regulations. One to require a certificate that the goods coming from the West India islands are the produce of those islands. St. Pierre and Miquilon; to prevent the trade with their slaves, as it consists in nothing but smuggled goods.

The difficulty of executing these regulations. Difficult to find good officers who will go to North America. Smuggling therefore will continue, and therefore, as this will diminish the revenue, some further tax will be necessary to defray the expense of North America. Stamp duties the least exceptionable because it requires few officers and even collects itself. The only danger is forgery.

He is convinced this country have the right to impose an inland tax. Loves the spirit of freedom and its commercial spirit, but would have neither at dependence of this country. If any man doubts the right of this country, he will take the opinion of the Committee immediately.

He owns the officers of the revenue must strike in the dark. However, he thinks this the best plan. He would likewise wish to follow to a certain degree the inclination of the people in North America, if they will agree to the end...

Huske. Having been much engaged in the county of Essex and in this town with the greatest phenomenon he met with in human nature; will speak only to America.

He had resided 24 years in America and lived in a mercantile way with a gentleman who practised every species of smuggling. Our laws have created smuggling even by force. Smugglers of molasses instead of being infamous are called patriots in North America. Nothing but a low duty can prevent it.

No doubt can exist of the right to tax North America in England. We know we are subject to the legislature of this country but not to the King's instructions to his Governors. An instruction to the Governor of New York which had almost produced an impeachment. This was to turn out all those persons out of their places who would not vote in the assembly as the Governor desired. This sort of instruction to a Minister here would produce an impeachment on the councillors who advised that instruction.

Notice ought to be sent to North America of any important business which relates to them. It is done in case of Irish causes. North American agents are always desired to play for time if anything occurs in Parliament which materially affects their interest.

Massachusetts Bay and another province attempted to establish a Stamp Duty but were obliged to repeal it.

Would have this law read two times, printed and then sent to America for their opinion about it....

Though no wine, fruit and oil is permitted to be imported into America, yet in fact America is one of those which show the immense extent of smuggling.

Molasses duty has never brought in anything. French King has lately given our ships leave to take the molasses from his islands, which diminishes the expense per gallon of it, and therefore he approves of a duty of 2*d.* which he thinks much better than 3*d.*, as there will be less temptation to smuggling. The molasses are bought off foreigners by the superfluous lumber of our provinces and other things.

30 ships go from New England every year laden with nothing but rum, and bring back gold dust, elephants' teeth and slaves for the sugar planters.

The more North America gets, the more it will be able to remit to us for manufactures. The fish trade will not be kept on unless we permit them to carry their fish to the West Indies Islands, as there is a great quantity of bad cod fish which will be consumed by negroes only.

Would have Pensacola a free port.

A duty on molasses at 2*d.* per gallon will yield about £58,000; at 3*d.* it will not produce £25,000. If you keep the duty on molasses so high as to discourage it, you will lead the Americans into the corn distillery which will hurt the country gentlemen here.

Grenville....Thence he passed to the American revenue. The good from ships stationed there. The business to reconcile regulations of commerce with revenue. Our right, to prevent intercourse of America with foreign ports. First care, to stop clandestine trade there....

Custom duties had a bound. Something farther must be thought of. A stamp duty in America: twas easily collected, without a large body of officers. Britain has an inherent right to lay inland duties there. The very sovereignty of this kingdom depends on it. Were this doubted, he would go into it deeply, would assuredly take the sense of the House upon it.

He concluded by saying that the path was thorny, but that still he would proceed, that upon these principles alone he thought this country could be saved. (He spoke two hours and three quarters—was perfectly well heard the whole time, and gained the applause of the *whole* House.)

Source: *Proceedings and Debates of the British Parliaments Respecting North America*, vol. 1, edited by R.C. Simmons and P.D.G. Thomas, (Millwood, New York: Kraus International Publications, 1982), pp. 488–492.

THINK THROUGH HISTORY : ANSWER

If students argue that the British Parliament should have raised taxes on the colonies, they may cite as evidence the right of the British Parliament to rule over its subjects in America in any way they wanted, the need to raise revenue from the colonists to pay for the maintenance of British troops in America, the need to keep the colonies dependent on Britain by banning or heavily taxing all trade with other nations, and the desire to increase profits for British companies and individuals by banning or heavily taxing trade with all other nations. If students argue that the British Parliament should not have raised taxes on the colonies, they may cite as evidence the proven difficulty of enforcing those tariffs (for example, ending widespread smuggling by lowering taxes); the benefit to Britain of a thriving colonial economy (tended to restrict economic growth); and the right of the colonists to manage their own economy.