

Alexander Hamilton

Secretary of the Treasury

REPORT TO CONGRESS ON THE SUBJECT OF MANUFACTURES

December 5, 1791

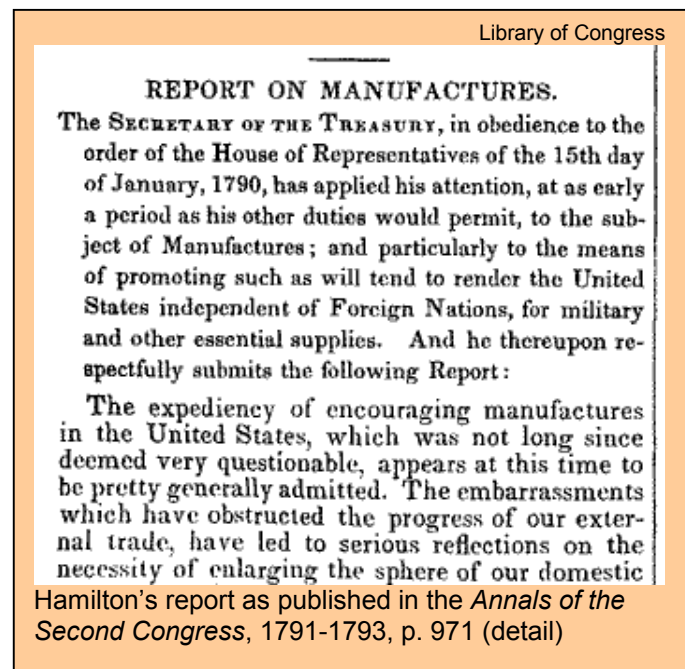
as published in the *Annals of the Second Congress*, Appendix, 1793; excerpts

The expediency of encouraging manufactures in the United States, which was not long since deemed very questionable, appears at this time to be pretty generally admitted. The embarrassments which have obstructed the progress of our external trade, have led to serious reflections on the necessity of enlarging the sphere of our domestic commerce: the restrictive regulations, which in foreign markets abridge the vent of the increasing surplus of our agricultural produce, serve to beget an earnest desire that a more extensive demand for that surplus may be created at home. . . .

10 There still are, nevertheless, respectable patrons of opinions, unfriendly to the encouragement of manufactures. . . .

It ought readily to be conceded that the cultivation of the earth, as the primary and most certain source of national supply; as the immediate and chief source of subsistence to man; as the

principal source of those materials which constitute the nutriment of other kinds of labor; as including a state most favorable to the freedom and independence of the human mind; one, perhaps, most conducive to the multiplication of the human species; has intrinsically a strong claim to pre-eminence over every
20 other kind of industry.



But, that it has a title to anything like an exclusive predilection, in any country, ought to be admitted with great caution. That it is even more productive than every branch of industry, requires more evidence than has yet been given in support of the position. That its real interests, precious and important as without the help of exaggeration they truly are, will be advanced rather than injured by the due encouragement of manufactures, may, it is believed, be satisfactorily demonstrated. And it is also believed, that the expediency of such encouragement, in a general view, may be shown to be recommended by the most cogent and persuasive motives of national policy. . . .

30 . . . the labor employed in agriculture is in a great measure periodical and occasional, depending on seasons liable to various and long intermissions; while that occupied in many manufactures is constant and regular, extending through the year, embracing, in some instances, night as well as day. It is also probable that there are, among the cultivators of land, more examples of remissness than among artificers. The farmer, from the peculiar fertility of his land, or some other favorable circumstance, may frequently obtain a livelihood, even with a considerable degree of carelessness in the mode of cultivation; but the artisan can with difficulty effect the same object, without exerting himself pretty equally with all those who are engaged in the same pursuit. And if it may likewise be assumed as a fact that manufactures open a wider field to exertions of ingenuity than agriculture, it would not be a strained conjecture, that the labor employed in the former being at once more constant, more uniform and more ingenious, than that which is employed in the latter, will be found at the same time more productive. . . .

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The employment of machinery forms an item of great importance in the general mass of national industry. It is an artificial force, brought in aid of the natural force of man; and, to all the purposes of labor, is an increase of hands; an accession of the strength, unincumbered too, by the expense of maintaining the laborer. May it not, therefore, be fairly inferred, that those occupations, which give greatest scope to the use of this auxiliary, contribute most to the general stock of industrious effort, and, in consequence, to the general product of industry? . . .

50 The cotton mill invented in England, within the last twenty years, is a signal illustration of the general proposition, which has been just advanced. In consequence of it, all the different processes for spinning cotton are performed by means of machines, which are put in motion by water, and attended chiefly by women and children; and by a smaller number of persons, in the whole, than are requisite in the ordinary mode of spinning. And it is an advantage of great moment that the operations of this mill continue, with convenience, during the night, as well as through the day. The prodigious effect of such a

machine is easily conceived. To this invention is to be attributed, essentially, the immense progress which has been so suddenly made in Great Britain, in the various fabrics of cotton. . . .

. . . In places where those institutions prevail, besides the persons regularly engaged in them, they afford occasional and extra employment to industrious individuals and families who are willing to devote the leisure resulting from the intermissions of their ordinary pursuits to collateral labors, as a resource for multiplying their acquisitions or their enjoyments. The husbandman himself experiences a new source of profit and support from the increased industry of his wife and daughters; invited and stimulated by the demands of the neighboring manufactories.

Besides this advantage of occasional employment to classes having different occupations, there is another of a nature allied to it, and of a similar tendency. This is the employment of persons who would otherwise be idle, (and in many cases a burden on the community,) either from the bias of temper, habit, infirmity of body, or some other cause, indisposing or disqualifying them for the toils of the country. It is worthy of particular remark, that, in general, women and children are rendered, more useful, and the latter more early useful, by manufacturing establishments, than they would otherwise be. Of the number of persons employed in the cotton manufactories of Great Britain, it is computed that four-sevenths, nearly, are women and children; of whom the greatest proportion are children, and many of them of a tender age. . . .

As to the promoting of emigration from foreign countries.

Men reluctantly quit one course of occupation and livelihood for another, unless invited to it by very apparent and proximate advantages. . . . Manufacturers who, listening to the powerful invitations of a better price for their fabrics or their labor, of greater cheapness of provisions and raw materials, of an exemption from the chief part of the taxes, burdens, and restraints, which they endure in the Old World, of greater personal independence and consequence, under the operation of a more equal Government; and of what is far more precious than mere religious toleration, a perfect equality of religious privileges; would probably, flock from Europe to the United States to pursue their own trades or professions, if they were once made sensible of the advantages they would enjoy, and were inspired with an assurance of encouragement and employment, will, with difficulty, be induced to transplant themselves, with a view to becoming cultivators of land.

If it be true, then, that it is the interest of the United States to open every possible avenue to emigration from abroad, it affords a weighty argument for the encouragement of manufactures; which, for the reason just assigned, will have the strongest tendency to multiply the inducements to it. . . .

. . . It is a just observation, that minds of the strongest and most active powers for their proper objects fall below mediocrity and labor without effect, if confined to uncongenial pursuits. And it is thence to be inferred, that the results of human exertion may be immensely increased by diversifying its objects. When
90 all the different kinds of industry obtain in a community, each individual can find his proper element, and can call into activity the whole vigor of his nature. And the community is benefited by the services of its respective members, in the manner in which each can serve it with most effect.

If there be any thing in a remark often to be met with, namely: that there is, in the genius of the people of this country, a peculiar aptitude for mechanic improvements, it would operate as a forcible reason for giving opportunities to the exercise of that species of talent, by the propagation of manufactures. . . .

There seems to be a moral certainty that the trade of a country which is both manufacturing and agricultural will be more lucrative and prosperous than that of a country which is, merely agricultural.
100 One reason for this is found in that general effort of nations (which has been already mentioned) to procure from their own soils the articles of prime necessity requisite to their own consumption and use, and which serves to render their demand for a foreign supply of such articles in a great degree occasional and contingent. Hence, while the necessities of nations exclusively devoted to agriculture for the fabrics of manufacturing States are constant and regular, the wants of the latter for the products of the former are liable to very considerable fluctuations and interruptions. The great inequalities resulting from difference of seasons have been elsewhere remarked. This uniformity of demand on one side, and unsteadiness of it on the other, must necessarily have a tendency to cause the general course of the exchange of commodities between the parties to turn to the disadvantage of the merely agricultural States. . . .

110 . . . Not only the wealth, but the independence and security of a country, appear to be materially connected with the prosperity of manufactures. Every nation, with a view to those great objects, ought to endeavor to possess within itself all the essentials of national supply. These comprise the means of subsistence, habitation, clothing, and defence. . . .

. . . The extreme embarrassments of the United States during the late war from an incapacity of supplying themselves, are still matter of keen recollection. A future war might be expected again to exemplify the mischiefs and dangers of a situation to which that incapacity is still in too great a degree applicable, unless changed by timely and vigorous exertions. To effect this change, as fast as shall be

prudent, merits all the attention and all the zeal of our public councils. It is the next great work to be accomplished. . . .

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One more point of view only remains, in which to consider the expediency of encouraging manufactures in the United States. It is not uncommon to meet with an opinion, that though the promoting of manufactures may be the interest of a part of the Union, it is contrary to that of another part. The Northern and Southern regions are sometimes represented as having adverse interests in this respect. Those are called manufacturing, these agricultural States; and a species of opposition is imagined to subsist between the manufacturing and agricultural interests, this idea of an opposition between those two interests is the common error of the early periods of every country; but experience gradually dissipates it. Indeed, they are perceived so often to succor and to befriend each other, that they come at length to be considered as one — a supposition which has been frequently abused, and is not universally true.

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Particular encouragements of particular manufactures may be of a nature to sacrifice the interests of landholders to those of manufacturers; but it is nevertheless a maxim well established by experience; and generally acknowledged where there has been sufficient experience, that the “aggregate” prosperity of manufactures, and the “aggregate” prosperity of agriculture are intimately connected. In the course of the discussion which has had place, various weighty considerations have been adduced, operating in support of that maxim. Perhaps the superior steadiness of the demand of a domestic market for the surplus produce of the soil, is alone a convincing argument of its truth.

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Ideas of a contrariety of interests between the Northern and Southern regions of the Union, are, in the main, as unfounded as they are mischievous. The diversity of circumstances on which such contrariety is usually predicated, authorizes a directly contrary conclusion. Mutual wants constitute one of the strongest links of political connexion, and the extent of these bears a natural proportion to the diversity in the means of mutual supply. . . .

In countries where there is great private wealth, much may be effected by the voluntary contributions of patriotic individuals; but in a community situated like that of the United States, the public purse must supply the deficiency of private resource. In what can it be so useful, as in prompting and improving the efforts of industry?

All which is humbly submitted.

ALEXANDER HAMILTON,

Secretary of the Treasury.