A LETTER

TO THE

EARL OF LIVERPOOL,

ON THE

REVISION OF THE CORN LAWS,

WITH A

SUGGESTION FOR THEIR MODIFICATION.

BY HENRY BLAIN.

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A LETTER.

TO THE

RIGHT HON. THE EARL OF LIVERPOOL,
&c. &c. &c.

MY LORD,

As the time is fast approaching, when, by His Majesty's command, the new Parliament will assemble, the country looks forward with confidence to the realization of the pledge given by your Lordship, that the important subject of the revision of the Corn Laws should be submitted to its deliberation, during the Session. Having, my Lord, had some experience as a merchant, principally engaged in the foreign corn trade, I

take the liberty of laying before your Lordship a few observations, which appear to me to bear upon the question, and of suggesting that which, in my judgment, would be an improvement in our present very defective system. Undoubtedly, the subject is one of mighty import, and one which ought to be considered with the utmost temperance, but, above all, with a strict view to impartiality. I must confess, notwithstanding all that has been written and said on the matter, I have not yet met with any argument that has appeared to me founded on the true merits of the case.

It is universally allowed, that corn, in this country, cannot be raised at the same rate as in other countries.

No doubt, my Lord, much conflicting opinion has arisen as to the causes.—I attribute them to the following:

1st. The great increase in the population,

which has been the means of bringing into cultivation a large proportion of inferior lands.

2nd. Taxation operating on the cost of production.

3rd. A more luxurious mode of living among the peasantry of this than is usual in the corn countries of Europe.—With regard to the first cause, it will be necessary for me to call your Lordship's attention to the state of the population of England and Wales previous to the late arduous war. In the year 1790, the population of England and Wales was about 8,675,000; in 1821, about 12,218,500. It is well known that, during the war, immense sums were expended in the cultivation of inferior soils, from a continued increase in the demand for its produce, which, from the high prices then prevalent, amply remunerated the grower. For ten years previous to the

war, about 40s. to 44s. a quarter for wheat, was considered a remunerating price,—the land then under tillage being principally of the superior qualities. From 1790 to 1821, a period of thirty-one years, there has been an increase of one third in the population of England and Wales: is it not, then, fair to infer, that there must also have been a corresponding increase in the growth of corn? If this increase in the population has been the necessary cause, which I contend it has, of bringing into cultivation lands which require a large expenditure to make them productive, we must either now abandon the culture of those lands, and leave ourselves at the mercy of foreign countries to supply the wants of our still increasing population, or the British agriculturist must be protected against the effects of a competition quite inconsistent with the cost of production. I am confirmed in this view by the

evidence given before the Agricultural Committee in 1821, where it is stated, that the produce of wheat on the inferior lands averages from 10 to 15 bushels, and, on the superior lands, 30 to 40 bushels per acre; and it is admitted, that the expense of cultivating the land, which produces from 10 to 15 bushels, is equal to the difference of rent paid on that which yields from 30 to 40 bushels an acre.*

Now, out of this evidence, arises a question as to what proportion of wheat grown in Great Britain is raised on inferior soils. It has been calculated that one-third of the wheat lands now under tillage is of that description which yields from 10 to 20 bushels per acre;† but, if we estimate only one-third

* See Ricardo on Agricultural Protection.

† The annual produce of Wheat is estimated (including seed) at 15,000,000 of quarters: of this, one-third is supposed to be grown on the superior soils, one-third on the middling, and the remainder on the inferior.

(or one-ninth part of the whole) of this to be thrown out of cultivation, creating a deficiency, according to the supposed production of the kingdom, of upwards of 1,500,000 quarters of wheat, would not this be the means of rather aggravating the evil of high prices than obviating it; for where, I ask, can we look for a foreign supply of such magnitude as this, when, in 1818, the largest importation ever known took place, we received considerably short of this quantity, with an average price, during the year, of at least 83s.; and during the preceding one of upwards of 93s. a quarter? With regard to taxation, it certainly would be a most desirable object that the burthens on the people of every description, under this head, should be reduced as much as possible, thereby diminishing the cost of production, one of the main causes of high prices:—but, in reference to this subject, let us look to

possibilities, and not to impossibilities;—let us not forget that we have a debt, the accumulated savings of the nation during a protracted war,—a war, in my opinion, my Lord, justly undertaken, vigorously prosecuted, and gloriously terminated;—that we have establishments to maintain, which it is our interest as well as it is our duty to uphold; and that there must be an end to any material reduction of taxation. But let us calculate, for argument's sake, what effect a much larger reduction of taxation would have on the necessaries of life, than it appears to me possible to be accomplished.

It has been estimated, that the value of the produce of the soil of the kingdom, is about £160,000,000* annually:—let us then suppose, that the country is in a situation

* Colquhoun, in his estimate of the annual agricultural produce of the soil, (exclusive of seed,) states it to

to admit of a reduction of taxation to the following extent, viz.

The whole of the assessed taxes, amounting, in round numbers, to about.....	£5,000,000
Poor Rates, County Rates, &c. &c. to the extent of	3,000,000
	£8,000,000
Suppose, also, the Landlords to reduce their rents 20 per cent. which, being estimated at 40,000,000*l.* per annum, will make a reduction of*	8,000,000
In all...	£16,000,000

be 217,000,000*l.* and the rental at 60,000,000*l.* Since the depreciation of produce, it must be considerably reduced: but it is not to be forgotten, that there has been a great increase in production since his work was published. The produce of the soil, in 1823, was valued at 200,000,000*l.*

* I am apprehensive that a very delusive idea has gone

What would be the practical effect of this reduction, *even allowing it to operate to the full extent, on the produce of the soil?* Why

abroad, relative to supposed high rents, which landlords are said to be in the habit of exacting from their tenantry. That there are instances of this, I do not mean to deny; but it is ungenerous to condemn all on account of the cupidity of a few: and I must here observe, that, on this subject, I have heard more declamation than argument founded on fact;—one instance of which, out of a number that I could mention, I shall here state. A celebrated orator, at a meeting of the Livery of London, assembled in Common Hall to petition Parliament for a revision of the Corn Laws, asserted that, in the parish of Elford, in Wiltshire, a farm, which, forty years ago, let for 600*l.* per annum, was now let at a rent of 1800*l.*! This extraordinary statement having been received with marked feelings of surprise, I took the trouble of making minute enquiry into the matter, and I have been able to satisfy myself, on the authority of the highly respectable member for the county of Wilts, (Mr. Benett,) to whom the farm alluded to belongs, that the actual rise in the rent since 1777, does not exceed 320*l.* per annum!

it would be this: that we would be enabled to purchase a quartern loaf 10 per cent., or, according to the present value, about *three farthings* a loaf, our meat *three farthings* a pound, and our butter, &c. three half pence a pound *cheaper !**

With regard to the last cause, it is an indisputed fact, that, in the principal Corn Countries of Europe,—I mean Poland, Prussia, &c., where the land in cultivation is made productive at very little expense, the peasantry subsist wholly on rye and the coarsest of meat.† The former, in the interior of Poland, in ordinary seasons, is to

* Seldom does a month pass, but we experience, in our Corn and Meat markets, fluctuations, in prices, capable of producing this effect either way.

† In the Ukraine of Russia, the current price of meat is five copecks a pound, equal to about one halfpenny English money. A gentleman, who possesses a large estate, situate about 40 English miles from the free city

be bought at about 10s. a quarter, and the latter at less than 1½d. per lb. whereas the peasantry of this country enjoy the best products of the soil. How far it would tend to the prosperity of the country, that they should alter their system, is a question which I shall not enter into, except by hazarding an opinion, that it would, in my judgment, be a woeful day for England, were her robust and healthy peasantry reduced to the abject situation of the Polish Slave, or the German boor.

"Ill fares the land, to hast'ning ills a prey,
"Where wealth accumulates, and men decay.

of Frankfort, o. M. writes, under date of the 25th July last, that the current price of butter, in his neighbourhood, is 3d. per English pound, beef 2½d. pound, wheat 18s. barley 10s. and oats 8s. per quarter. He complains, very much, of these prices being quite inconsistent with the cost of his estate in 1818.

Subsequent accounts, from the same quarter, however, intimate, that a very considerable rise had taken place,

"Princes and Lords may flourish, or may fade,
"A breath can make them, as a breath has made;
"But a *bold peasantry*, their country's pride,
"When once destroyed, can never be supplied."

The question now to be considered, is what, under the circumstances I have stated, is a remunerating price for British Corn? I confess, that I have some difficulty in answering it, but I well remember the declaration of a great practical authority, Mr. Gooch, in the House of Commons, when wheat was between 58s. and 60s. a quarter,* that he was perfectly content with that price, and he never wished to see it higher. Now, My Lord, the average price of wheat for the last year has been about 57s. a quarter.† Let us then suppose this price to be

particularly in corn, in consequence of the late order in council.

* The old standard measure.

† Of this 57s. the farmer does not receive more than 54s. the remaining 3s. per quarter being paid for expense of bringing to market, factorage, &c.

somewhere about a remunerating one: let us also fix this as a basis on which to determine what may be considered a protecting duty; and this, I conceive, it is only fair to do in reference to the average remunerating price abroad, which I am enabled to state with some degree of accuracy, having obtained what I consider practical information, derived from those in the Corn Countries, well qualified to give an opinion. The substance of that information is, that if the foreigner receive, *on an average*, 34s.* a quarter for his wheat, in ordinary seasons, (I speak of corn at the leading ports of shipment in the Baltic down to the Elbe, the Russian ports excepted,†) that price would

* By the new standard.

† The following are the prices of Wheat per quarter, suitable to the English market, delivered on board ship in the undermentioned places, by the latest accounts, viz.

be an ample inducement for him either to sell or to consign, provided the exchanges

Dantzic	30s. to 34s.	mean price 27s. 7d. a qtr.
Koningsberg	24s. to 28s.	
Mecklenburgh Ports	27s. to 29s.	
Holstein	23s. to 26s.	
Hamburg	26s. to 29s.	

Prices of Wheat when at the lowest during last winter.

Dantzic	20s. to 26s.	mean price 20s. 1d. a qtr.
Koningsberg	20s. to 24s.	
Mecklenburg	17s. to 20s.	
Danish	16s. to 18s.	
Hamburg	19s. to 21s.	

Russian Wheat is but little liked in our markets, the quality being inferior, especially that of St. Petersburgh and Archangel. The prices are, for

St. Petersburg	25s. per quarter.
Archangel	19s. ditto
Riga	24s. ditto
Odessa	14s. ditto

continue *at or about par*.* To protect the home-grower, then, I conceive that it would

Odessa Wheat is principally consumed in the Mediterranean Ports.—I cannot help here adverting to a statement made by Mr. Bowring, at a recent meeting of the Livery of London. His words were these: "I hold in my hand a letter from a single port in Europe, stating, that there are 500 cargoes of Corn which could not find an outlet. The possessors of this Corn would be glad to give it in return for the manufactures of this country, &c." Now, the port alluded to by Mr. Bowring must be that of Odessa, where, I believe, there are at present about 600,000 quarters of Wheat. But if we are to judge from past experience, very little of this description of grain would be brought to this market, on account of the quality not being liked here, added to the risk of heating from the length of the voyage, and the high rate of charges.

* The present price of fine Wheat, at Dantzic, is about 370 guilders the last, equal to 34s. sterling a quarter, at the present rate of exchange of 21 guilders. During the war, the exchange was often as low as 15 guilders, the £ sterling; so that Wheat, bought at 370 guilders, would have cost then about 44s. a quarter.

be necessary to levy a duty of not less than 15s. a quarter, when our ports might be thrown open to a *free* trade in Corn, without compromising either the interest of the agriculturist, or that of the trader. The calculation would stand thus:

Prime Cost	34s.	per qtr.
Duty	15s.	Ditto.
Average rate of charges, with a free trade, including freight, insurance, measuring, factorage, &c. provided the Corn be sold deliverable from the ship.*	8s.	Ditto.
Total.....	57s.	

* If the Corn be landed and warehoused, there will be an additional charge of 1s. 6d. to 2s. a quarter.

This amount of duty would prevent any considerable supply of wheat being imported, whilst the average remained about 57s.,* but as I am averse to *high* duties and *high* prices, at the same time, I would recommend that the duty of 15s. should diminish 1s. for every shilling that the average price advanced, and the duty to rise in the same proportion as the price declined; according to which, wheat would be entirely free of duty at 72s. To accomplish this purpose, it would be necessary to continue the present system of averages, and publication of them in the Gazette, as a guide for the customs to regulate the rate of duty.

I am not, My Lord, insensible to the frauds that have been committed, in order

* I am of opinion, that, with an average price fluctuating, during the year, between 57s. and 62s. and a scale of duty regulated as I have suggested, our imports would not be less than 450,000, nor exceed 550,000 quarters.

to rise, and depress the averages to suit particular interests, but those frauds were had recourse to, for the purpose of *opening* or of keeping the ports *shut*; whereas, according to the system which I have pointed out, the ports would be permanently open with the maximum of duty of 15s. a quarter.* If, My Lord, I am correct, or nearly so, in fixing 57s. as a remunerating price to the home grower, I am anxious to dispel a delusive feeling, which has taken root among a very numerous party in this country—namely, that if a free trade in Corn were established, with a duty on importation, bread would fall in price. Now, if that duty is to be a *protecting one*, it ought not to be below what I have mentioned, therefore no immediate advantage would be derived from the change in the present state of our Corn markets, beyond facilitating our commercial intercourse with the Continent, which, no doubt, would ultimately lead to the benefit of the community at large.

* There appears, to my mind, an insuperable objection to a scale of duties regulated as follows, viz. suppose, for example,

When the average of Wheat is under 62s. — 15s. duty.
When above 62s. and under 70s. — 10s. ditto
When above 70s. and under 75s. — 5s. ditto
When above 75s. Free.

Were such a system adopted, whenever the average price reached near the point at which the duty would rise or decline 5s., the disgraceful practice of tampering with the averages would be had recourse to; whereas, in the mode I have suggested, the temptation is so trifling as to remove all suspicion of fraud.

I have the honor to be,

My Lord,

Your Lordship's

very obedient and very humble Servant,

HENRY BLAIN.

London,
3rd Nov. 1826.

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