

It Was All About Money

The Reason For The War Against Southern Independence

By Dr. Newton James Brooks, Jr.

In reading this article, please remember the terms revenue, import tax, and tariff, as used in this article, all mean the same thing. Some people, at the time of secession and in the years leading up to it, referred to the tariff or import tax by one of those two terms. Others referred to it as the revenue. All three terms mean the same thing.

Most of those reading this article already know the War Against Southern Independence was not fought to free the slaves. The purpose of this article is not to go into the reasons or the purpose behind the anti-slavery movement. Therefore, though problems due to agitation over slavery will be mentioned briefly, another whole article would need to be written to explain what caused the anti-slavery movement in the United States and what drove it, what its purpose actually was.

Democratic Congressman Clement Vallandigham of Ohio had this to say of the Republican Party and slavery, "I will not consent that an honest and conscientious opposition to slavery forms any part of the motives of the leaders of the Republican Party. (Vallandigham, p.52).

Lincoln himself stated more than once, as in his inaugural address, that the North was not fight-

ing to free the slaves. Lincoln and the Republicans expressed their willingness to allow the continued existence of slavery where it then existed. Lincoln, in a letter dated December 22, 1860, written to Alexander Stephens, has this to say. "Do the people of the South really entertain fears that a Republican administration would, directly or indirectly, interfere with their slaves, or with them, about their slaves? If they do, I wish to assure you, as once a friend, and still, I hope, not an enemy, that there is no cause for such fears." (Stephens shortly after became vice-president of the Confederate States of America.)

As if this was not enough to prove Lincoln's willingness to tolerate the continued existence of slavery, on March 2, 1861, just two days before he was sworn in as president, a proposed new constitutional amendment was passed by Congress. It stated in part that "no amendment shall be made to the Constitution which will authorize or give to Congress any power to abolish or interfere with slavery in any of the States by whose laws it may be allowed." This amendment is known as the Corwin Amendment. It was signed by Lincoln only two weeks after he became president. It was then sent by him to the governors of all the states for those



states to ratify it, so it would become a part of the Constitution. If ratified, it would have become the 13th Amendment to the Constitution. For that to happen it had to be ratified by three-quarters of the states. Two Republican controlled state legislatures did ratify it, before the Republicans realized that guaranteeing slavery would neither keep a state in the Union, nor cause the return of any of the states who had already left.

Initially, the people of the North and their politicians (with the exception of Lincoln and a few others) did not oppose the secession of any of the Southern States. Most Democrats and Republicans openly said they considered secession to be a right of every state. The Democrats were sorry to see any of the Southern States leave the Union, but many in the Republican Party openly said they were glad to see Democrat dominated states secede, as this would leave a Republican majority in both Houses of Congress, allowing the Republicans to run the country without interference.

The *Harrisburg Pennsylvania Telegraph* of November 12, 1860, a Republican paper, went much

farther than saying that secession was a right. It said in an editorial, "We have only to say that if South Carolina, Georgia, or Alabama, or all of them, desire to withdraw from the Union, ... 'the sooner the better. ... Let them do as they please, and when they please, with one solitary condition, viz. that their separation shall be final. **Their absence would be an incalculable and invaluable relief to the balance of the people of these United States.**" (Perkins). (*Bold type inserted by the author of this article.*)

Why would the Republican Party want to see the Southern states leave the Union? When the Republican national convention was held in Chicago in 1860, its party platform voiced opposition to slavery in the territories, support for free land in the territories for white settlers, a railroad to the Pacific, and a higher tariff on imported goods. (Carman & McKee, Vol. 1. p.836). This tariff was called a protective tariff. This meant that in addition to being needed to pay for a national railroad to the Pacific, it was also meant to protect the higher priced goods of the North from competition with the lower priced and often better quality manufactured

goods imported from Europe. Giving free land to settlers actually cost money also, for eight percent of the government's income came from the sale of public land. Giving the land away meant there was less land to sell and less of a market when it was offered for sale. This was money which had to be compensated for by a higher tariff on imported goods.

All of these objectives of the Republican Party had been steadfastly opposed by the Democrats, and the Democratic Party was at that time dominated by the South, which gave it a large part of its votes. It therefore stood to reason that if the South seceded from the Union, the Republican Party would dominate and outvote its opposition. It would then be able to achieve all of its political goals.

Only a few years before this the two political parties in America had been the Democrats and the American or Know-Nothing Party. The Know-Nothings were an extremely anti-Catholic Party. One of their stated goals had been to take the right to vote away from Catholics. They claimed Catholics were anti-American in their views. The great strength of the Know-Nothings was in the North. There were those however who said the real reason the Know-Nothings wanted to take the right to vote from Catholics was because the vast majority of Catholics tended to vote Democrat. (Marshall, pp.459-460). (The just mentioned Thomas Marshall was a former Congressman from Kentucky and a nephew of former chief justice of the Supreme Court John Marshall.)

Prior to the formation of the Know-Nothing Party, the dominant party in the North had been the Whig Party. One of the stated goals of the Northern Whigs had been a high protective tariff. The Know-Nothings also supported a high protective tariff. The Democratic Party had prevented such a tariff for many years. Marshall, a Whig himself, felt those who desired such a tariff thought by depriving the Catholics of the right to vote they would weaken the opposition party, the Democrats, to the extent the Democrats would no longer be able to stop a high protective tariff. (Marshall, p.461).

When the Republican Party was formed in 1852, the Northern Know-Nothings joined it. Like the Know-Nothing Party, one of the goals of the new party was a high protective tariff. There were

too many Democrats in the West and the Midwest however for the Republican Party to accomplish that goal. Joined with the Democrats of the South, they continued to stop all attempts to give the Republicans the kind of high tariff they wanted. Now, with the talk of secession, the Republicans felt their chance had come. Destiny was smiling upon them. All that was needed was the secession of many or all of the states of the South.

On November 13, 1860, the *Brooklyn Daily Eagle* stated its view that should any states wish to secede there would be nothing to do except to let them go. (Perkins).

The *Cincinnati Daily Commercial* echoed similar sentiments by advocating that there be no attempt, "through forcible coercion," to keep states in the Union should they desire to leave. (Perkins).

The *Davenport (Iowa) Democrat and News*, on November 17, 1860, editorialized against secession, but in its editorial it noted that it was apparently in the minority, saying most of "the leading and most influential papers of the Union" believe "that any State of the Union has a right to secede." (Perkins).

The Valley Spirit, a Democratic paper in Chambersburg, Pennsylvania, under the heading, "The Duty of the North," on December 14, 1860, said, "The duty of the people of the North in the present crisis is plain. If Southern States will secede ... why then, let them secede." In this editorial, this Democratic paper did not urge or rejoice in the secession of any Southern state, rather it urged the people of the North to allow any state that wished to secede, to go in peace. (Perkins)

Three days later (December 17, 1860), the influential editor, Horace Greeley, a Republican, writing in his own paper, the *New York Tribune*, supported peaceful secession. He wrote, "If the Declaration of Independence justified the secession of 3,000,000 colonists in 1776, I do not see why the Constitution ratified by the same men should not justify the secession of 5,000,000 of the Southerners from the Federal Union in 1861. ... And when a section of our Union resolves to go out, we shall resist any coercive acts to keep it in. We hope never to live in a Republic where one section is pinned to the other section by bayonets." Greeley's was one of the last Republican editorials in favor of allowing peaceful secession from the Union.

South Carolina was the first state to secede.

On December 20, 1860, that state voted to leave the Union.

All talk by Republicans about peaceful separation changed once the Republican leadership realized if the Deep South successfully left the Union, most of the income of the federal government would disappear. The income of the federal government came primarily from the import tax, called the tariff, referred to by Lincoln as the "revenue." The South paid nearly 75 percent of the tariff, and in 1860 the tariff provided 90 percent of the income of the Federal government. Most of the money (75 percent) spent on the states by the Federal government was spent in the North. Only 25 percent was spent to benefit the South. As the fiery secessionist from South Carolina, Robert Barnwell Rhett, stated, the South was the best colony any people ever possessed. (Colonies had originally been set up for the financial benefit of the country who began them.)

The leaders of the Republican Party only began to talk of using force to prevent secession when they realized what losing the tax money from the seceded states would do to the revenue of the Federal government.

This change on the part of the Republicans was so sudden that Democratic Senator Stephen A. Douglas of Illinois, in a letter dated December 20, 1860, still thought, "Many of the Republican leaders desire a dissolution of the Union."

Ben Wade, Senator from Ohio, was one of the founders and leaders of the Republican Party. In a speech on the floor of the senate on December 17, 1860, (unless otherwise stated, all speeches can be found in the *Congressional Globe*, which is on-line. Look for the speech by date) Senator Wade had this to say about the possibility of one or more states seceding from the union. "... if a state secedes, ... we should have to exercise every Federal right over her ... and the most important of these would be the collection of the revenue (the import tax, or tariff), ... Therefore it will be incumbent on the Chief Magistrate (he means the president), to proceed to collect the revenue of ships entering their ports, precisely in the same way and to the same extent that he does now. ... What follows? ... if he undertakes to blockade her (a port in a seceded state), and thus to collect it (the import tax, or tariff), ... What will they do? ... They must take the initiative and declare war on (resist) the United States; and the

moment that they levy war force must be met with force; ... the act of levying war is treason. ... (Here Wade makes it plain the Republicans will use force to collect the tariff, and if a seceded state resists the use of force upon it by the federal government, that act of resistance will be considered treason.)

Three days after Republican Senator Wade's speech, Senator Pugh of Ohio, a Democrat, spoke in reply. In his speech to the Senate, he made this remark: "My colleague seems to imagine it the duty of the president, under his oath of office, to precipitate our whole country into civil war." Pugh continued: "My colleague's idea seems to be that, because an act of Congress for collecting duties at Charleston may not be executed for two or three months, or even for a longer time, it behooves us to employ arms, and engage in war ... must we, for that reason, and without any regard for consequences, draw the sword? Why should we not avoid war, if possible, ... Some objector will say, 'we must collect the revenue.' Yes sir, men ... insist, vigorously ... that we shall make as much money from those people, levy as much tribute on them, all of them, ... is that maintaining the union?"

Judah P. Benjamin, Senator from Louisiana, speaking to the Senate on February 4, 1861, shortly before the secession from the Union of Louisiana, said this of the present situation, with Southern states leaving the Union: "We are told that the laws must be enforced; that the revenue must be collected; that the South is in rebellion without cause, and that her citizens are traitors. ... You will enforce the laws, collect revenue ... wring tribute from an unwilling people? In Lord North's speech on the destruction of the tea in Boston harbor, he proposed to close the port of Boston, just as the representative of Boston now proposes to close the port of Charleston."

On March 2, 1861, two days before Lincoln's inaugural address, the tariff situation changed, giving the Republicans even more desire to force the seceded states back into the Union. On that day a greatly increased tariff, long desired by the Republicans, passed the Senate, having passed the House the year before. Virtually all of the Northern representatives had supported it and virtually all Southern representatives had opposed it. This was the Morrill Tariff. It raised the import tax in

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the United States to an overall average of more than 40 percent of the value of the imported item, higher on some items. It was a much higher tariff than the one it replaced, nevertheless if the seceded states did not pay the new tariff the federal government would be forced to drastically cut spending. This made it even more important to the Republicans, the authors of the tax, to see that the seceded states were forced back into the Union. One of its changes was the increased protection that it gave US iron manufacturers by greatly increasing the tax on imported iron. (Taussig, p.159).

One of the authors of this tax was Representative Justin Smith Morrill, of Vermont. Since one of the highest taxes of the tariff he helped to author was on imported iron, it is coincidental that Morrill's primary source of income was his iron foundry (Biographical Dictionary of the U.S. Congress – online, 2001).

Sometimes referred to as a "war tariff," the Morrill Tariff was not that, because it passed before there was any serious expectation

of war, passing the House before secession even began (Taussig, p.158). This tariff was actually increased in virtually every month from December of 1861 until it was superseded by an entirely new and even higher tariff in 1862 (Taussig, p.160).

Only a few weeks after the much higher Morrill Tariff took effect, the situation changed again and again it changed for the worse in regards to the North. This happened when the provisional government of the Confederacy passed a low tariff. This low Southern tariff would make the importation of goods into the North cost more than twice what importing the same goods into the South would cost. (Foner, p.277).

Where Northern manufacturers and businessmen had been disturbed before, they were now frantic with fear over the effect the two new tariffs would have on Northern industry and trade (Foner, pp.277-281). There was much talk and editorializing in the newspapers of imported goods being brought into both the

Southern and the Northern states through Southern ports. This would be done because goods imported by way of Southern ports would be cheaper, due to the much lower import tax in the South. There was talk of Northern businesses closing, of huge numbers being put out of work and of the manufactured goods of Europe and the agricultural products of the West and Midwest bypassing Northern ports such as Boston and New York, and instead flowing through Southern ports, most especially through New Orleans (Foner, pp.277-281).

In the midst of this new crisis, the leadership of the Republican Party issued an order that no Republican member of Congress was to speak again on the issues of secession or the tariff, until one man in each House of Congress, chosen by the party leaders, had spoken and presented the view of the party leaders on the aforementioned issues.

In the House it was Representative Stanton of Ohio. Based on his remarks, it appears he had

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advance notice of the content of Lincoln's inaugural address, which was given two days later. He said in part, "The president elect doubtless considers the laws imposing duties on imported goods as in full force, therefore to be faithfully executed. What else can he say? What else can he do? If their execution is resisted, I take it for granted that the President will use just so much force as may be necessary to see the laws faithfully executed. Those who oppose their execution, by levying war against the United States, are guilty of treason, and it will be the duty of the President to see that the laws for the punishment of treason are executed, as well as the laws for the collection of duties on imports." Stanton further declared, "*the laws for the collection of the revenues arising from duties on imports, which are necessary for the support and maintenance of the Government, must be executed at once.* Charleston, Savannah, and New Orleans cannot be left open to the admission of foreign imports, duty free, so as to divert the foreign commerce of the country from Boston, New York, Philadelphia, and Baltimore, *and deprive the Government of the revenue which is indispensable to its very existence.* If the seceding States resist the collection of duties in those ports, and make war upon the United States to prevent it, then we must have war, and upon their heads be the responsibility for all the horrors and calamities that may result from it" (Appendix to the Congressional Globe, page 301, 36th Congress, March 2, 1861, House of Representatives.)

Nor were the leaders of the Republican Party alone in recognizing the need for war in order to protect their pocket books. As early as March 14, 1861, only ten days after Lincoln's inauguration, the *Irish Times*, of Dublin, Ireland, editorialized that, "If President Lincoln ... sends war vessels to collect the Federal duties (the tariff, or import tax), at the several ports of the Seceders, the Southerners must resist or yield at once to the North." Further in the editorial we read, "This tariff is really the most vital question of the moment. If the Southern States suffer themselves to be taxed for the protection of the Northern manufactures, there is nothing to be gained by Secession: if they resist, the only way by which they can do so successfully is by war."

But if the Republicans were willing to go to war to collect the tariff, they were not willing to fight to free the slaves. Indeed, they expressed their will-

ingness to allow the continued existence of slavery where it then existed. On March 4, 1861, Lincoln said in his inaugural address, "The power confided in me will be used to hold, occupy, and possess the property and places belonging to the government, and to collect the duties and imposts." ... I have no purpose, directly or indirectly, to interfere with the institution of slavery in the States where it exists. I believe I have no lawful right to do so, and I have no inclination to do so." He also mentioned the proposed new amendment guaranteeing slavery (the Corwin Amendment), saying, "I understand a proposed amendment to the Constitution — which amendment, however, I have not seen — has passed Congress, to the effect that the Federal government shall never interfere with the domestic institutions of the States, including that of persons held to service (slavery) . . . I have no objection to its being made express and irrevocable."

Lincoln continued by declaring secession to be illegal, declaring, "no State upon its own mere motion can lawfully get out of the Union; that resolves and ordinances to that effect are legally void, and that acts of violence within any State or States against the authority of the United States are insurrectionary or revolutionary, according to circumstances. ... The power confided to me will be used to hold, occupy, and possess the property and places belonging to the Government *and to collect the duties and imposts;*" Lincoln went on to say that if there was a war the seceded states should be held responsible for it.

The *New York Tribune* (Republican) published a report from a correspondent in Virginia, in its March 9th edition. The correspondent wrote, "I have heard but one construction of Mr. Lincoln's declaration of his intention to 'hold, occupy, and possess the property and places belonging to the Government, and to collect the duty and imposts (the tariff). It is regarded, if not as a declaration of war, as at least the expression of a determination to coerce the seceding States into compliance with the demands of the Federal Government." (*New York Tribune*, March 9, 1861, page 6, column 4).

The afore-mentioned *Irish Times*, of Dublin, Ireland, reported on March 9, 1861, about a speech Lincoln had made little more than a week previously. This speech was given while Lincoln was slowly making his way to Washington and his in-

auguration. All along the route, Lincoln had been stopping, attending receptions and giving speeches, often going many miles out of his way to do this. In a speech in Trenton, New Jersey, in speaking to the New Jersey House of Representatives, Lincoln had declared, in speaking of the seceded states, "it may be necessary to put the foot down firmly." The *Times* reported that at this juncture the legislature burst into cheers.

In the same issue of the *Irish Times*, it was mentioned how several days before his speech to the New Jersey Legislature, Lincoln was in Harrisburg, Pennsylvania, where he spoke to a group of well wishers. The *Times* reported the comments of the Speaker of the Pennsylvania House of Representatives, who introduced Lincoln to the crowd. In introducing Lincoln, the Speaker of the House, Davis, had declared that Pennsylvania "stood ready to pledge both men and money, if need be, to enforce the laws." As he made that declaration, the assembled crowd burst into cheers. What laws was he referring to? The only laws which concerned Northern commerce and industry at the time were the tariff laws, and Pennsylvania, as a manufacturing state, indeed the leading state in the manufacture of iron, was very concerned about the collection of the tariff.

The *New York Tribune*, the paper which just before Christmas had urged that seceding states be allowed to leave the Union in peace, in an editorial of March 16, 1861 (page 4, column 3), had this to say about the tariff and secession. "If free goods (goods on which the tariff had not been paid), are to be allowed to enter the slave states, why is it not better to give up the contest," The editorial ended as follows, "If then, we have, or expect to have, anything that can be called a Government, now is the time for decided, energetic, effective action."

A further editorial of the *Tribune*, titled, "From Florida: The Feeling On Board the Brooklyn," dated Monday, March 25, 1861, asked the question, "How much longer are we Americans to submit to the arrogant demands of a few hot headed rebels?" The writer then stated that the government had the power, the law, and the right on its side, and that the South should be forced ... "to obey those laws to which their wiser and nobler ancestors agreed." The writer said he believed the seceded states must be made to obey the law (What law do you think

was being referred too?)

The *New York Times*, in an editorial of March 30, 1861, said: 'With us it is no longer an abstract question — one of Constitutional construction, or of the reserved or delegated power of the State or Federal Government, but of material existence ... We were divided and confused till our pockets were touched.' (Perkins)

Writing in December 1861 in a British weekly publication, *All the Year Round*, the famous British author, Charles Dickens, who was a strong opponent of slavery, but who blamed what he termed the "American Civil War" on the Morrill Tariff, said these things about the war going on in America: "The Northern onslaught upon slavery is no more than a piece of specious humbug disguised to conceal its desire for economic control of the United States." Dickens further said, "Union means so many millions a year lost to the South; secession means loss of the same millions to the North. The love of money is the root of this as many, many other evils. The quarrel between the North and South is, as it stands, solely a fiscal quarrel."

Though the tariff was never as high as Northern manufacturers desired, one Boston native, Thomas P. Kettell, the son of a New England merchant, published a book shortly before secession began. It was titled, *Southern Wealth and Northern Profits*. Though his figures are not totally accurate, they give some idea of the profit the North made off of the South. Kettell claimed that the North took out of the South an annual profit of more than two hundred million dollars. Though he appeared to sympathize with the South, he called Southerners "suckers" for submitting to such treatment.

Congressman Clement Vallandigham of Ohio, a Democrat, had this to say, "This whole controversy has now become ... a war for political domination ... But gentlemen of the North, you who ignorantly or wittingly are hurrying this Republic to its destruction, you who tell the South to go out of the Union if she dare, and you will bring her back by force." (Vallandigham, p.52-53).

Senator Joseph Lane of Oregon, in a senate speech on March 2, 1861, said in part:

"We are told that the design is to attempt nothing more than to collect the revenue in the ports of the seceded states ... Will it not be a declaration of war against the seceding states?" Senator Lane

then quoted James Madison, the Father of the Constitution, who said: 'The use of force against a state would look more like a declaration of war than an infliction of punishment.' Madison had made that remark when a delegate to the Constitutional Convention proposed a clause to the Constitution which would give the national government the right to use armed force against a state in order to enforce a law. Such a clause was not placed in the Constitution.

Lane later in his speech made these remarks: "Let me beg the party who are soon to take charge of this government to let the seceded States alone, and by no means attempt to collect revenue in their ports, that would result in a bloody, terrible war, but, on the contrary, acknowledge the independence of the Confederate States of America (then only seven states) and treat with them as an ally and friendly nation." However, Lane did not think the Republican Party would allow peace, but would rather begin a war. He said: "We are living at a day and at a time when a northern sectional party have obtained possession of the power of this great Government, ... they want to keep the slave States in for their benefit — to foot the bills, to pay the taxes — that they may govern them as they see fit, and rule them against their will."

War was obviously in the offing, but did it have to come? It did if the tariff, what Lincoln called the revenue, was to be collected. With Lincoln in his inaugural address promising to collect the tariff in the seceded states, war was certain, for to collect the tariff in those states Lincoln would have to occupy their seaports or the forts guarding those ports. When he attempted to do this, it was also certain that the seceded states would resist. Fort Pickens, off the harbor of Pensacola, Florida, was reinforced easily. When the steamer *Star of the West* had attempted to reinforce Fort Sumter with arms, ammunition and soldiers, it had been fired upon and forced to abandon its mission. This was while Buchanan was still president.

When an attempt was made by Lincoln to reinforce Fort Sumter, which was on an island in Charleston Harbor, the fort was fired upon and forced to surrender. On May 1, 1861, Lincoln received a letter from Captain Gustavus V. Fox, who had headed the fleet sent to reinforce the fort. When Fox apologized for the failure to reinforce the fort,

Lincoln replied with a letter that closed with these words. "You and I both anticipated that the cause of the country would be advanced by making the attempt to provision Fort Sumter, even if it should fail; and it is no small consolation now to feel that our anticipation is justified by the result."

What was the result Lincoln was speaking of? Learning that a second and a secret expedition, including two warships, was being sent to reinforce the fort; with the approval of Jefferson Davis and on orders of General Beauregard, the general commanding Confederate forces at Charleston, Fort Sumter was fired on. The Confederates were then declared by the Lincoln administration and most of the Northern press to be the aggressors. They had fired on the flag of the United States. The nation was now at war and it was entirely due to Southern aggression. Rally round the flag, patriots! Defend your country! And they did. Lincoln called for 75,000 volunteers and the war was on!

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*All speeches in either house of Congress can be found in the *Congressional Globe*, under the date the speech was given. The *Globe* can be found on line, simply by typing congressional globe into any search engine.

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