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OUR BURDEN

AND

OUR STRENGTH;

OR, A COMPREHENSIVE AND POPULAR EXAMINATION OF THE

Debts and Resources of our Country,

PRESENT AND PROSPECTIVE.

By DAVID A. WELLS, A. M.

"AS THY DAYS SO SHALL THY STRENGTH BE."

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OUR BURDEN AND OUR STRENGTH,
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COMPREHENSIVE AND POPULAR EXAMINATION
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DEBT AND RESOURCES OF OUR COUNTRY,
PRESENT AND PROSPECTIVE.

CAN we pay our present and prospective National Debt, or even the interest upon it? Can we bear without impoverishment as a people, the burden of our present or future necessary taxation? These are questions which the continuance of the war and the exigencies of the times continually call up in the hearts, if they do not prompt to utterance upon the lips, of multitudes of our citizens.

All are more or less familiar with the general facts respecting the increase of the population of our country and its wondrous development in wealth and resources; but few have been enabled to bring the subject so definitely and clearly before them as to draw from it that trust and encouragement for the future, which it is certainly capable of affording. Recognizing this fact, it has occurred to the writer that good and timely service might now be rendered to the country, by instituting a large and accurate inquiry concerning our national ability—present and prospective—to pay our maximum future debt, *interest* and *principal*; and rising from this study, with the highest degree of encouragement, he begs leave to call the attention of his fellow-citizens to the

statistics which he has been enabled to collect ; hoping thereby, that the faith they feel in our ultimate and triumphant success, may be made the stronger ; that anxiety and fear may be, in a degree, banished from their hearts ; and by means of a courage justly entertained, and duties consequently well performed, they may aid in reducing the fluctuations of the currency ; may sustain the laborer and the capitalist in their right relations ; may help to give the dollar its just value ; to labor its full reward ; and by seeing that the production of national wealth is still advancing with giant strides, and that the war does not and cannot retard its progress, they may be further assured that the credit and honor of the country are to be amply and perfectly sustained.

The discussion of the topics involved in such an inquiry, must, of necessity, be mainly statistical, and therefore will undoubtedly be judged by some, *à priori*, as dry and uninteresting ; for unfortunately there are many disciples, in all countries, of the old Pasha, described by an English traveller, who, when asked to lend his authority to aid in the collection of statistical information, exclaimed, " Oh, joy of my liver, I have been sixty years in this province, and twenty years governor of this town, but never yet have I inquired as to the number of tiles on the houses, nor what kind of dirt the people take away in their carts. Mashallah ! life is short, let us enjoy its blessings and ask no questions." If there are any such, perchance, among our readers, to them we shall offer no apology, but enter at once upon our subject.

Previous to 1861, the United States stood before the world in the anomalous position of a great nation, with substantially no national debt. Having since conformed in this respect to the usages of all other civilized people, it is desirable, in the outset of this inquiry, to compare our debt and its distribution *per capita* with the national debt of the leading nations of Europe. For this comparison we assume that the debt of the Federal Government, which at the close of the fiscal year in June, 1864, was about \$1,750,000,000, will, at the close of the war, amount to \$3,000,000,000 (three thousand millions), an

amount which, with proper annual taxation, certainly ought not to be exceeded. The various figures tabulated, will then afford us the following exhibit :

T A B L E

Showing the present and prospective debt, interest and population of the United States, with the present debt, interest and population of Great Britain, France, Austria, Italy, and Holland.

	Public Debt.	Population.	Annual Interest.	Debt to each person.	Av. Interest to each person.
United Loyal States, July, 1864.....	\$1,750,000,000	24,900,000	\$ 75,000,000*	\$72.92	\$3.01
At the close of the war, assumed to take place in 1865.....	3,000,000,000	34,000,000	180 000,000	82.35	5 35
In 1870, assuming 30 per cent. as the average decennial increase of population†.....	3,000,000,000	40,950,000	180,000,000	73.26	4.38‡
In 1880, do.	3,000,000,000	53,235,000	180,000,000	56.34	3.38
In 1890, do.	3,000,000,000	69,205,500	180,000,000	43.35	2.60
In 1900, do.	3,000,000,000	89,964,150	180,000,000	33.34	2.00
Great Britain, March, 1863.....	3,915,000,000	30,000,000	127,564,000	130 46	4.25
France, 1862.....	2,206,000,000	37,000,000	110,000,000	59.65	3.00
Austria, 1862.....	1,263,000,000	35,000,000		36.10	
Italy, 1863.....	764,000,000	22,000,000		34.73	
Holland, 1863.....	424,500,000	3,600,000	12,244,000	117.00	3.40

It would thus appear from the above table (the figures and estimates of which are, it is believed, entirely reliable) that assuming the actual national debt at the close of the federal fiscal year, June, 1864, to be \$1,750,000,000, the apportionment of debt to each individual of the loyal States would be \$72.92, and of the annual interest \$3.01. If we assume further, that the war termi-

*Of the debt of the Loyal States, July 1st, 1864, as above given, an amount at least equal to \$500,000,000 (existing in the form of currency) is not chargeable with interest.

† See table of population from 1790 to 1860, which follows.

‡ It must be borne in mind, in comparing the interest account of the debt of the United States with that of Great Britain and the other European states, that the rate per cent. varies greatly. In Great Britain the average rate of interest paid on the National debt does not exceed 3½ per cent. In France the highest rate paid is 4½ per cent. while much of the French debt pays a rate as low as 3 per cent.

nates at or before the close of 1865, and that the national debt has reached at that period the sum of \$3,000,000,000, then the debt for the population of the restored Union, will average \$82.35 for each individual, and the annual interest \$5.35. Supposing the debt to remain the same, (*i. e.*, \$3,000,000,000) and the population to increase in the ratio of only 30 per cent. for each decennial period, the table shows the rapid decrease of individual liability for debt and interest during the remaining years of the present century.

The average increase of the population of the United States prior to 1860, has been generally assumed by statisticians, to have been at the rate of three per cent. per annum. That the actual increase has, however, been always in excess of this ratio will be seen by the table on page 5, in which the increase of the population of the United States is given for each decennial period since the establishment of the Constitution, and also the increase of the population of Great Britain during the same period ; of France since the year 1801 ; and of Prussia since 1816.

TABLE

Showing the actual and percentage increase of the population of the United States by decades, from 1790 to 1860; of Great Britain, from 1793 to 1861; of France, from 1801 to 1861; and of Prussia, from 1816 to 1861.

	Year.	Population.	Increase per cent. by Decades.
United States.....	1790	3,929,827	
Great Britain.....	1793	14,500,000	
United States.....	1800	5,305,937	Increase 35.02 per cent.
Great Britain.....	1800	16,000,000	“ 10.34 “ “
France.....	1801	27,349,000	
United States.....	1810	7,239,814	Increase 36.43 per cent.
Great Britain.....	1812	18,000,000	“ 12.50 “ “
Prussia.....	1816	10,319,000	
United States.....	1820	9,638,191	Increase 33.13 per cent.
Great Britain.....	1823	21,193,438	“ 17.42 “ “
France.....	1821	30,461,000	
Prussia.....	1822	11,664,000	
United States.....	1830	12,866,020	Increase 33.49 per cent.
Great Britain.....	1833	24,304,799	“ 14.60 “ “
France.....	1831	32,569,000	
Prussia.....	1834	13,038,000	
United States.....	1840	17,069,453	Increase 32.67 per cent.
Great Britain.....	1841	27,041,031	“ 11.35 “ “
France.....	1841	34,230,000	
Prussia.....	1840	14,051,000	
United States.....	1850	23,191,876	Increase 35.87 per cent.
Great Britain.....	1850	27,300,000	“ .97 “ “
France.....	1851	35,283,000	
Prussia.....	1849	16,296,000	
United States.....	1860	31,445,030	Increase 35.59 per cent.
Great Britain.....	1861	29,334,788	“ .70 “ “
France.....	1861	37,400,000	
Prussia.....	1861	18,491,000	

SUMMARY.

United States, increase in 70 years....	700.41 per cent.	France, increase in 60 years....	37.00 per cent.
Great Britain, “ “ 63 “	102.30 “	Prussia, “ “ 45 “	79.00 “

Having thus presented an exhibit of our present and prospective national liabilities (in comparison with those of the leading nations of Europe), it is proper next to consider the subject of our national assets, and to inquire as to what are the resources on which, as a nation, we can *at present* rely to meet our pecuniary indebtedness.

The officially assessed value of *all* the real and personal property of the United States in 1860, was \$16,159,000,000. Of this amount there was credited to the loyal States and territories the sum of \$10,957,448,956 ; and to the disloyal, \$5,202,167,500. Large as this valuation seems, it was, nevertheless, in the opinion of the best statisticians, considerably below a true estimate ; inasmuch as real property, in actual practice, is rarely valued, for census returns and for purposes of assessment, at more than *two thirds* of its real value, while large amounts of personal property, from the facility with which it is concealed, escape valuation and assessment altogether. The increase in the value of real and personal property of the whole United States for the decennial period of 1850-60, was in the ratio of 126.45 per cent., and of the loyal States about 129 per cent. Supposing, for the sake of caution, that the general ratio of decennial increase has been reduced since 1860 from 126 to 100 per cent. (the reverse, however, being probably more in accordance with the truth); then the value of all the real and personal property of the loyal States, on the 1st of July, 1864, would be about \$15,300,000,000.

Supposing the whole of the property to be distributed equally *per capita* among the existing population of 24,900,000, then the apportionment to each individual would be \$614.95.

Supposing the rebellion to terminate at or before the close of 1865, the population of the restored Union (which was 31,500,000 in 1860) to be 34,000,000, the debt \$3,000,000,000, and the value of the real and personal property of the seceding States to be somewhat less than that prior to 1860 (*i. e.*, \$5,000,000,000), then the value of the real and personal property of the whole Union would be about \$21,579,000,000, the average

wealth *per capita* \$634.52 ; the average debt *per capita* \$82, and the average annual interest *per capita* 5.35. Large though these proportions may seem, yet applying them, practically, we should not consider the case of an individual as particularly one for commiseration, whose debts and liabilities were less than *one seventh* of his available assets, and if not the individual, then certainly not the country, restored, renewed, reinvigorated, as it must be with the termination of the rebellion and extinguishment of Slavery.

But as the payment of our national debt is not a necessity of the present, but of the future, it is pertinent next to inquire as to what are the resources which the future will be able to command for the purpose of meeting the financial burden to be laid upon it. In prosecuting this inquiry, we have to deal with facts and figures of an entirely anomalous character. European history furnishes us with no precedents which can be quoted as either examples or parallels. In fact, there is nothing in all human history, to which the regular increase of the national wealth of this country, since the establishment of the Constitution, can be likened. It is the most wonderful fact of our wonderful national history, and like most other things peculiarly American, must be judged of by our own standard and forecasted entirely from our own precedents. Previous to the year 1840, no attempt was made by the government to obtain, by actual investigation, accurate data for the estimation of the value of the real and personal property of the United States, or of the value of the annual product of the agricultural, manufacturing and commercial operations of the nation. Estimates, however, have been made by several statisticians, from various available data, of the national valuation of the five decennial periods anterior to 1840, which are believed to be approximately accurate ; and since 1840 we have had official valuations of the property of the Union at the end of each census decade. All of these valuations are known to be defective in various particulars, and especially prominent among these, is that of under valuation. This, although a matter to be regretted, has, however, the advantage that it frees an exhibit like the one we

are presenting, from all suspicion of undue overstatement. The following table shows the population of the country and its decennial percentage increase; the estimated or the official valuation of the wealth of the country for each decennial period since 1791; the increased decennial percentage value; the average property to each person, and the average value of the yearly national product.

TABLE

Showing the population and wealth of the United States by decades from 1790 to 1860; population of the loyal States in 1864; decennial percentage increase of population; decennial percentage increase of national wealth; average property to each person; average annual value of the national product.

Year.	Population.	Value of real and personal property.	Decennial percentage increase of population.	Decennial percentage increase of wealth.	Average property to each person.	Average annual value of the national product.
1790	3,929,827	(estimated) \$750,000,000			\$187.00	\$187,500,000
1800	5,305,937	(estimated) 1,072,000,000	35.02 per cent.	43 per cent.	202.13	300,000,000
1810	7,239,814	(estimated) 1,500,000,000	36.43 per cent.	39 per cent.	207.20	420,000,000
1820	9,638,191	(estimated) 1,882,000,000	33.13 per cent.	25.4 per cent.	195.00	526,960,000
1830	12,866,020	(estimated) 2,653,000,000	33.49 per cent.	41 per cent.	206.00	742,840,000
1840	17,063,453	(official) 3,764,000,000	32.67 per cent.	41.7 per cent.	220.00	1,063,135,000
1850	23,191,876	(official) *7,135,780,000	35.87 per cent.	89.6 per cent.	307.67	2,004,000,000
1860	31,500,000	(official) *16,159,000,000	35.59 per cent.	126.42 per cent.	510.00	3,804,000,000
1864	Loyal States 24,900,000	(estimated) 15,300,000,000	{ four years { 12 per cent.	{ four years { 40 per cent.	614.95	4,018,000,000
1865	Rest'd Union assumed 34,000,000	(estimated) 21,574,000,000			634.52	5,713,500,000

* "A question has been raised in some quarters, as to the correctness of these valuations of 1850 and 1860, in embracing in the valuation of 1850 \$7,135,780,000, and in the valuation of 1860 \$16,159,000,000, as the assessed value of slaves, insisting that black men are persons and not property, and should be regarded, like other men, only as producers and consumers. If this view of the subject should be admitted, the valuation of 1850 would be reduced to \$6,174,780,000, and that of 1860 to \$14,223,018,063, leaving the increase in the decade \$8,048,825,840.

The advance, even if reduced to \$8,048,825,840, is an increase of property over the valuation of 1850 of 130 per cent. while the increase of population in the same decade was but 35.59. As the value of

It thus appears from the statistics of the above table, that while the population of the United States increased from 1850 to 1860 in the large ratio of 35.5 per cent. the wealth of the nation increased during the same period in the much more remarkable ratio of 126.45 per cent. ; or from \$7,135,780,000 in 1850 to \$16,159,616,000 in 1860 ; or at the rate of more than nine hundred millions (\$902,383,584) per annum. During the same period, Great Britain experienced an increase of less than *one* per cent. in population, and an estimated increase of national wealth amounting to about *thirty-three per cent.* But startling and unprecedented as has been this extraordinary increase of our national wealth, one needs but a cursory glance at the details to feel satisfied that the exhibit is every way reliable and correct.

* Thus, for example, the wealth of the State of Iowa increased from \$23,714,000 in 1850, to \$247,338,000 in 1860, or in the decennial ratio of nearly 943 per cent. California, the second State in respect to the rapidity of growth in wealth during the same decade, increased from \$22,161,000 in 1850, to \$207,874,000 in 1860, or nearly 838 per cent. ; while Wisconsin increased her valuation 550 per cent. ; Illinois 467 per cent. ; and Michigan 330 per cent. Nor was the rapid increase of wealth confined to the new States of the West solely, although the augmentation there during the last census decade, was by far the most remarkable. Thus, Connecticut increased her wealth from \$155,707,000 in 1850, to \$444,274,000 in 1860, or in the ratio of 185 per cent. ; while Ohio added to her wealth the value of \$689,000,000, or 138 per cent. ; and Pennsylvania \$694,000,000, or about 96 per cent. New York, though adding not quite 71 per cent. to her wealth of 1850, yet absolutely augmented it by \$763,000,000 ; a sum more than \$20,000,000 in excess of three times the value of the wealth of Iowa ; \$200,000,000 more than has been acquired by South Carolina since her existence as a State ; and exceeding in amount

slaves to the country as laborers is obviously not affected by transferring them from the schedule of property to that of persons, we have adopted the census estimates of 1850 and 1860 as officially given. In the future the country will undoubtedly be greatly the gainer in wealth by the change in the condition of the Southern laborers from a state of servitude to one of freedom. This point will be considered hereafter.

the entire wealth of any other State in 1860, with the exception of Massachusetts, Ohio, Pennsylvania, Illinois, and Virginia.

The two States which increased their valuation the least during the decade in question, were Vermont and Massachusetts, yet the former added to her wealth 33 per cent., and the latter 42 per cent.; the absolute increase in Vermont being more than \$30,000,000; and the absolute increase in Massachusetts \$242,000,000. We have, therefore, in these detailed statements, elements which show precisely how and where this enormous increase of 126.45 per cent. in the wealth of the nation from 1850 to 1860, was effected.

Supposing now the war to close at or before the end of 1865, with a restoration of the dominion of the old Union; supposing also the wealth of the loyal States to have increased since 1860 at the decennial ratio of 100 per cent. (an under rather than an over estimate); and the valuation of the disloyal States at that period to be one thousand millions less than in 1860; then the re-united nation will start anew on its era of peace, with a capital of twenty thousand millions, and an annual increase of wealth which certainly cannot be estimated at less than \$2,000,000,000.* This sum, it should be borne in mind, is not the *income* of the nation, out of which the population are to pay for their subsistence and their luxuries, but the profit over and above our expenses as a nation; or in other words, it is an actual increase of capital—the product of labor, machinery and commerce—which is to be annually applied to the permanent improvement of the country, and to be made the instrument of earning more wealth. So much, then, for the resources of the country at the close of the war, or at the close of the year 1865.

Let us now cautiously prospect the resources of the future, basing our estimates on the teachings of the present and the past. For this purpose we assume the decennial increase of the population of the country for the remainder of the present

*Adopting the ratio of increase at 100 per cent. for every ten years, instead of 126.45 per cent., the ratio of increase from 1850 to 1860.

century (commencing back with the year 1860) to be 30 per cent., and the decennial increase of our national wealth to be 100 per cent. ; and from these data as the basis of our calculations, we deduce the figures of the following table :

Years.	Population.	National Wealth.	Average property to each person.	Average debt (assumed at \$5,000,000,000) for each person.	Annual interest per capita.	Percentage of debt to property.	Average annual value of the national product; the annual ratio of increase assumed being 10 p. c.
1860	31,500,000	\$16,153,000,000	\$ 510.00				\$3,504,000,000
1865	34,000,000	21,574,000,000	634.52	\$ 82.35	\$ 5.85		5,713,590,000
1870	40,950,000	32,318,000,000	789.00	73.26	4.38	9.28	7,608,000,000
1880	53,235,000	64,036,000,000	1214.00	56.35	3.38	4.64	15,216,000,000
1890	69,205,500	129,272,000,000	1878.00	43.43	2.60	2.32	30,632,000,000
1900	89,964,150	258,514,000,000	2873.00	33.34	2.00	1.16	61,264,000,000

In the above table, one of the points brought out, which is most worthy of interest after the statement of the enormous prospective increase of our national wealth, is the exhibit of the manner in which, in a growing, flourishing state, the burden of a national debt decreases relatively to the burden of the property which must pay it. This, which we show prospectively in the estimates above given for the future, is also strikingly illustrated by actual facts derived from the financial history of Great Britain. Thus in forty-two years, from 1816 to 1858, the percentage of national debt to national wealth fell from 40 to 13 per cent., while the capital of the debt itself was reduced less than three hundred millions on \$4,200,000,000 ; or the burden fell as from 40 to 13, while the debt fell only as from 40 to 37 ; or to put the case in a still stronger light, the debt of 1858, which would have been a charge of $37\frac{1}{2}$ per cent. on the whole private wealth of Great Britain in 1816, was only 13.4 per cent. on the property of 1858.*

But objections will naturally arise in the minds of many persons. Surprised at the apparently incredible results deduced from our statistics respecting the future, they will urge that there

must be some mistake in the ratios and estimates we have assumed or calculated upon ; or if not this, then that we have no reasonable grounds for believing the future of our country is to develop itself, as respects wealth and population, in anything like the ratios of the past. It is therefore proper before proceeding further in our inquiry, to review in a degree the ground we have gone over, and if possible detect and make allowance for all real or probable errors.

And first, as regards population. The ratio of decennial increase from 1860 to 1900, the conclusion of the present century, we have assumed at 30 per cent. Now the actual increase has not fallen to so low a ratio as this, during any one of the seven decades that have elapsed since the establishment of the Constitution to 1860. During the three most unpromising periods of our national history, viz. : the decade embracing the first federal administration, when order was being restored from the previous revolutionary chaos ; the decade of the last war with Great Britain, when the Capitol of the nation was taken and burnt ; and the decade which includes the disastrous financial years of 1837-38—the ratios of increase were respectively 35, 33, and 32.67 per cent. It must, therefore, be evident, that so far as all inferences from the past are concerned, we should be justified in fixing the ratio of the prospective increase of population in the United States at considerably above 30 per cent. In the official report of the *eighth census*, published during the present year (1864), the following are the calculated estimates of the population of the country for the remaining four decades of the present century, viz. : 1870, 42,300,000 ; 1880, 56,450,000 ; 1890, 77,266,000 ; 1900, 100,355,000. The figures we have assumed in our calculations are considerably less than these official estimates, viz. : 1870, 40,950,000 ; 1880, 53,235,000 ; 1890, 69,205,500 ; 1900, 89,964,150.

Some light on this subject, so far as the present decade is concerned, may also be obtained from an examination of the recent statistics of emigration. The following table exhibits the

amount of foreign emigration into the United States for the forty years included in the *four* last census periods, or from 1820 to 1860 :

From 1820 to 1830.....	244,490
“ 1830 to 1840.....	552,000
“ 1840 to 1850.....	1,558,300
“ 1850 to 1860.....	2,707,624
	<hr/>
Total.....	5,062,414

Being a yearly average of 126,560 for the last forty years, and 270,762 for the last ten years. Immigration reached its maximum in the year 1854, when the number of aliens arriving in this country was reported for that year at 427,833. Subsequent to this year, foreign immigration rapidly diminished, viz. : to 200,000 in 1855 ; 200,000 in 1856 ; 251,000 in 1857 ; 123,000 in 1858 ; and 121,000 in 1859. Since then, notwithstanding the breaking out and continuance of our domestic troubles, immigration has commenced to flow upon us in rapidly increasing proportion, viz. : 153,640 in 1860 ; 120,000 (estimated) in 1862 ; 182,000 in 1863 ; while, for the present year, the number will probably reach, if not exceed, 300,000 ; the average arrivals for May and June being reported at about a thousand per day. With the return of peace, and the opening up of opportunities for profitable mining upon the Pacific, of cotton cultivation in the South, and of employment at large wages in the various manufacturing establishments that are sure to originate or increase under a permanent protective tariff, immigration will undoubtedly continue to flow upon us in a rapidly augmenting ratio. So far, then, as our increase of population is dependent upon this agency, we think we are fully justified in believing that the decennial increase will not be less than the figures assumed, viz. : 30 per cent.

We come next to consider the subject of the prospective increase of our national wealth. The great facts developed by the statistics of the census of 1840-50, and of 1850-60, are the

very remarkable ratios, according to which the increase of our national wealth progresses. These ratios constitute, in a great degree, the basis on which our estimates of the future augmentation of national values are founded ; and the direct point of inquiry next before us is, are we justified in assuming them as standards of comparison ? or, in other words, have we reasonable grounds for believing that the future of the country, as respects the development of its resources and the increase of its wealth, is to be, even approximately, like the experience of the past ?

Large as was the official valuation of the national wealth, and the decennial ratio of increase, as returned by the census of 1860, there is, as has been already intimated, abundant and conclusive evidence in proof, that the estimates were considerably lower than the actual. In illustration of this assertion, we submit a few statements, easily capable of verification, relative to the estimated and the actual wealth of portions of the State of New York. We have selected this State simply because the documents embodying the facts in question were readily accessible to us ; and not because we have any reason for inferring that the valuation of New York was more exceptionable than that of any other State.

Thus : It appears from the report of the State Assessors, presented to the Assembly of New York, January 12th, 1863, that the amount of *personal property* belonging to *citizens of New York*, insured December 12th, 1860, in the various insurance companies belonging to, or doing business in the State, was \$1,471,000,000, a sum considerably greater than the valuation of all the *real and personal* property assessed by the State during the year 1861 ; and one thousand one hundred millions (\$1,138,000,000) in excess of the official valuation of all the personal property of the State for the year 1863.

Again : The value of all the real and personal property of the city of Troy, in the State of New York, as returned to and adopted by the State and county authorities for the purpose of assessment in the year 863, was a little less than \$14,000,000. In May, 1862, a fire occurred in this city, which was estimated

to have destroyed from one fifteenth to one twentieth of the property of the entire city. The money value of the property *actually* destroyed was officially estimated by the Fire Commissioners at \$2,724,000 (an amount exceeding one half of the assessed valuation of *all the personal* property of the city) ; on this an insurance was paid of \$1,396,000, an amount equivalent to one tenth of the assessed value of *all* the property of the city. If we now assume, as we have every reason to do, that the valuation by the Fire Commissioners of the property destroyed was correct, and that this amount represented as much as one tenth, instead of one fifteenth, of all municipal values, then the correct valuation of the entire city in 1863—making due allowance for the losses over and above the insurance—would be, instead of \$14,000,000, \$25,912,000. To this must further be added the valuation of the land within the city limits, as the value of this within the burnt district was not impaired by the fire, and consequently was not included in the estimate of the losses returned by the Commissioners. It is thus evident, that the official valuation of the property of one of the large cities of the State and country did not, at its maximum, approximate within fifty per cent. of the true and actual valuation.

But this excessive under-valuation of property in official estimates is not, however, limited to large cities ; it extends equally to the small, country, agricultural towns and districts. As an illustration of this, we have selected, at random, for examination, from the latest available official document of the State of New York, the returns of the town of Hoosic, a thriving agricultural, and to some extent, manufacturing town, in the northeast part of Rensselaer County, in the State of New York. The population of this town, by the census of 1860, was 4,446. The value of all the *personal* property of the town, as returned by the county assessors for 1863, was \$188,412. For the purpose of testing the correctness of these figures, we propose now to institute an independent inquiry respecting the valuation of the personal property of this town, deriving our data for this

purpose from official documents and other sources of information equally open to the public, and, at the same time, premising that the writer has never visited the town in question, and does not enjoy a personal acquaintance with any of its inhabitants.

We find, first, by referring to the tables of the last New York State census, that the number of sheep returned as belonging to the town of Hoosic, was 22,394, of fleeces 25,800, and a yearly product of wool amounting to 85,519 lbs. Estimating the wool at 50 cents per pound, and the sheep after shearing at \$2.50 per head, we have then of personal property in the items of sheep and wool alone, a valuation of \$98,729, or more than one half of the officially-returned value of all the personal property of the town. But in addition to the sheep and wool, there was also returned as belonging to the town for the census year, the following other items, which are regarded in valuations as personal property, to wit: 863 horses; 2,600 swine; 1,700 head of cattle; agricultural tools and implements to the value of \$46,600; and of farm produce, 69,000 lbs. of butter; 36,000 lbs. of cheese; 6,500 tons of hay; 63,000 bushels of oats; 5,000 bushels of wheat; 13,000 bushels of rye; 6,900 bushels of barley; 4,300 bushels of buckwheat; 52,000 bushels of corn; 33,000 bushels of potatoes; 266,000 lbs. lint of flax; 8,300 bushels of flaxseed; 5,600 bushels of apples; 3,000 lbs. of honey; while the annual value of poultry and eggs sold was returned as upwards of \$6,000. The town also contains one of the largest manufactories of agricultural implements in the country; an extensive cotton-mill, a woollen-mill, paper-mill, iron-foundry, saw-mill, grist-mill, &c., &c.; in all, representing personal property to the amount of at least \$200,000. In addition to the above, we have also obtained from gentlemen, whose opportunities for forming a judgment have been good, an estimate, that the value of stocks (Government, State, manufacturing and bank), and other interest-bearing securities, held by the inhabitants of this town, could not, at any time within the last

five years, have less than a valuation of from two hundred and fifty to three hundred thousand dollars. If now to the items thus enumerated we allow a fair amount for certain non-enumerated articles, whose valuation is always a matter of difficulty,—such as household furniture, wearing apparel, small stocks of merchandise, jewelry, watches, carriages and the like—we think we are fully warranted in assuming that, at the time the personal property of the town of Hoosic was estimated by the State officials at \$188,412, its actual and real value could not have been less than \$800,000, and, in all probability, was in excess of a million.

Now whether we are justified in inferring, from the above facts and statistics, that a discrepancy between the real and appraised value of property, equal to that which, we think, we have shown to exist in the State of New York, applies to the whole country, may be a matter of doubt, and we therefore leave it to the judgment of our readers. But this much, we affirm, can most unquestionably be asserted, viz.: that wherever the judgment of competent appraisers can be obtained, respecting the valuation of the real or personal property of any town, city, or district, in any State, such estimate will be found to exceed by at *least* 30 per cent., any coincident valuation officially made, for census or assessment purposes.

The conclusions to which our investigations therefore lead us are, that the national valuation of sixteen thousand millions in 1860, and the decennial increase of 126 per cent. (remarkable as these results truly are), must have been really much less than the actual and true values and their augmenting ratio. And we think, furthermore, that the facts warrant us in believing, that the total wealth of the country was, in 1860, upward of twenty thousand millions, and the decennial ratio of increase nearer 150 than 126 per cent.

The results of the past, then, as we have stated them in our tables and estimates, do not therefore admit of a doubt, and we

come next to the task of examining the nature of the increase of our wealth and population from 1860 to the present time.

The decennial ratio of increase in the wealth of the loyal States, we assumed to have diminished since 1860, in consequence of the war, from 129 per cent. (the census estimate) to 100 per cent., and we have also adopted these latter figures as the prospective ratio of the increase of the wealth of the whole country for the remaining decades of the present century. As no official valuations (National or State) have been made since 1860, the store of facts from which we can draw, to fortify our assumptions respecting the progress of the last four years and of the future, must be necessarily limited. The few that we have at our command, are, however, interesting and highly significant.

The returns of the various "joint-stock Fire Insurance Companies" of the State of New York, as made to the State Insurance Bureau, show an increase in the property insured against fire during the year 1862, of \$173,000,000 over the amount insured in the same companies in 1861; and an increase of 360,000,000 for the year 1863, over the amount insured in 1862. The returns of the Fire Insurance Companies in Massachusetts also show an increase of \$29,800,000 in the amount of risks taken in 1862, over those taken in 1861. We are well aware that any deductions which can be drawn from these statistics must be very indefinite; yet they nevertheless truly indicate a great progressive increase of wealth in the country during a most extensive and expensive war.

The returns of Savings Banks, in the few States where annual and accurate reports are officially published, furnish us, however, with more definite information respecting the recent increase of public wealth; and especially of the material condition of the laboring classes. Thus, in the State of New York, the deposits in the Savings Banks increased from 1858 to 1861 (inclusive) as follows:

1858.....	\$41,472,000	1860.....	\$58,178,000
1859.....	48,194,000	1861.....	67,440,000

In 1857, the total deposits in all the Savings Banks of Great Britain and Ireland (the United Kingdom) amounted to £37,000,000 (\$185,000,000). In 1857, the population of the United Kingdom was estimated to have been about 29,000,000, while that of the State of New York in 1861, was probably about 4,000,000. The latter, therefore, with a population in 1861 a little less than one seventh of that of Great Britain, in 1857 had more than a third as large deposits in her Savings Banks ; a most striking commentary on the relative prosperity of the laboring classes of the two countries.

The returns of the Savings Banks of Massachusetts are more complete than those of New York, and are consequently more interesting. Thus, taking the ten years from 1850 to 1860, the deposits in this State increased 231 per cent. In the same period the population of the State increased about 24 per cent. ; the total valuation, about 50 per cent. ; and the bank capital (the means required to carry on the business of the State), about 75 per cent. The accumulation of industrial savings, therefore, exceeded all the other ratios of State development in the above-mentioned period.* The deposits from 1860 to 1863 (inclusive) have been as follows :

1860.....	\$45,054,000	1862.....	\$50,403,000
1861.....	44,785,000	1863.....	56,83,000

Returns from Maine, New Hampshire, Vermont, Rhode Island, and Connecticut, also show a similar progressive increase of deposits during the last few years in their respective Savings Banks ; and the same is also probably true of the Savings Banks of most of the other loyal States, although, from the lack of official reports, this cannot be positively asserted.

Now these facts and statistics, like others previously referred to, have no parallels to the history of the Savings Banks of Great Britain or of Europe. There, on the breaking out of war ; the interruption of great branches of industry ; the failure

* Complete returns of the Savings Banks in the State of New York, prior to 1858, are not obtainable ; but for the four years next subsequent to 1857, the yearly increase of deposits was more rapid than in Massachusetts.

of crops ; or during seasons of great financial embarrassment, the deposits are not merely suspended, but they are rapidly withdrawn. Thus, in Great Britain, in nine out of the seventeen years which elapsed from 1841 to 1857 inclusive, the withdrawals exceeded the deposits ; and in the years 1847 and 1848, which were periods of great commercial distress in England, the excess of withdrawals over deposits was more than twenty-five millions of dollars. On the other hand, in 1861, when the loyal portion of the United States was entering upon a struggle, growing out of an attempt to destroy the whole future of their Government—thereby involving in a common ruin all public and private credit ; when Southern indebtedness to the North, to the estimated amount of \$200,000,000, was deliberately repudiated ; and when, as a legitimate consequence of this state of things, the trade, industry, and commerce of the country were everywhere extremely depressed ; then, in this disastrous year, the withdrawal of deposits from the American savings banks were so small as to be hardly worthy of notice ; the decline in the aggregate deposits in Massachusetts being only \$269,000 out of a capital of \$45,500,000 ; while in New York, there was an actual excess of deposits over withdrawals of more than six and a half millions, and an aggregate gain in capital of more than nine millions. It should also be borne in mind in this connection, that, since the commencement of the war, large sums have been continually diverted from savings banks to government securities ; and it is the opinion of those well qualified to judge, that the decline in the savings bank deposits of Massachusetts for 1861, was due almost entirely to the diversion of investments into this and other channels, and not to the impairment of the popular resources.*

* For the above statistics relative to Savings Banks, we are mainly indebted to the report of the Bank Commissioners of Massachusetts for 1861 (issued in 1862) ; a report which, through its exhibit of the condition of the savings banks of Massachusetts and New York for the first year of our civil war, is said to have made so great an impression upon a leading European banker, as to induce him to keep a copy of it constantly by him, as a most unanswerable argument in favor of the ample ability of the loyal States to prosecute their war and carry any consequent debt without the slightest aid from European capitalists.

The statistics respecting the production of the great agricultural staples of the loyal States since the year 1859, as published in the reports of the National Bureau of Agriculture, also indicate a continued and large increase in these important elements of our country's wealth and strength. Thus, the product of wheat, which in 1859 was 138,000,000 bushels, was, in 1862, 189,000,000 ; and in 1863, 191,000,000. This great increase of 1862 and 1863 over 1859 cannot, however, be altogether considered as a regular increase, inasmuch as the crop of 1859, on which the last census returns were based, was somewhat below an average, while the crop of 1862 was one of the best ever harvested. In 1863, the crop of wheat gathered in the summer was good ; but the fall crops of corn, barley, potatoes, &c., were badly injured ; first, by long-continued droughts ; and secondly, by remarkably early and destructive frosts. These facts must also be borne in mind in considering the following agricultural statistics of the loyal States for 1859, 1862, and 1863, which, for convenience, we have arranged with those of wheat given above, in the form of a table :

Productions.	1859.	1862.	1863.
Wheat	138,000,000 bushels.	189,000,000 bushels.	191,000,000 bushels.
Oats	152,168,000 "	172,520,000 "	174,858,000 "
Rye	18,792,000 "	21,254,000 "	20,798,000 "
Barley... ..	15,433,000 "	17,781,000 "	16,760,000 "
Corn	547,029,000 "	586,704,000 "	452,446,000 "
Potatoes	107,337,000 "	114,533,000 "	101,457,000 "
Tobacco	230,343,000 pounds.	208,807,000 pounds.	267,302,000 pounds.
Hay	19,073,000 tons.	21,500,000 tons.	20,000,000 tons.
Wool	50,183,000 pounds.	60,744,000 pounds.	79,405,000 pounds.

It will thus be seen that there was a very large increase in the product of all the crops enumerated in the year 1862 over

1859, notwithstanding the existence of the war ; and that there was also a very marked increase in the articles of wheat, oats, tobacco, and wool, produced in 1863 (the third year of the war) over 1862 ; which increase would doubtless have also extended to all the other crops, but for the occurrence of unusual drought and frosts. The State of Iowa, which, out of a population in 1860, of 675,000, furnished to the federal army, from May, 1861, to the end of 1863, 52,240 men, nevertheless increased her number of acres of improved land from 3,445,000 in 1859, to 4,700,000 in 1862, and 4,900,000 in 1863 ; and her product of wheat, from 8,795,000 bushels in 1862, to 14,592,000 in 1863. In 1859, the amount of wheat raised in the State of Indiana was 15,219,000 bushels ; while in 1863, notwithstanding the State, out of its population, in 1860, of 1,350,000, had furnished to the army more than 124,000 fighting men, the annual product of wheat exceeded 20,000,000 of bushels. Nor are these facts concerning Iowa and Indiana, remarkable as they most certainly are, exceptionable ; for although exact statistics on this subject are not readily available, yet enough is known to render it certain that the products of industry have greatly increased in all the loyal States during the war, notwithstanding the constant draughts that have from time to time been made upon the numbers of their producing classes.

A few statistics illustrative of the rapid increase of wealth in California, derived from other sources than that of mining, are also interesting in this connection. In 1855, all the vines in the State did not number 1,000,000 ; but in 1862 the number had increased to 10,592,762 ; while the product of wine for 1862 was estimated by a committee of the Legislature at 700,000 gallons. The value of the exports of the products of the vine from California for the last three years is returned as follows : 1861, \$8,000 ; 1862, \$25,000 ; 1863, \$81,456. The value of wool exported from California, which in 1860 was about \$1,000,000, rose in 1862 to \$6,000,000, and in 1863 to \$8,000,000.

The number of immigrants arriving in this country during the three years of war has also been greater than the number

which arrived during the three years immediately preceding the war, as will be seen from the following figures ; 1858, number of immigrants arriving, 123,000 ; 1859, 121,000 ; 1860, 153,000. Total, 397,000. Since the war ; number arriving in 1861, 150,000 ; 1862, 120,000 ; 1863, 182,000. Total, 452,000 ; and if we add the probable number of the present year, 300,000, we shall have an aggregate of immigration during four years of war, of 752,000. Thirty years ago, a writer in Blackwood, in commenting on the fact that the population of England, Scotland, and Wales had increased specifically about a million from 1801 to 1821, in consequence of the influx of Irish laborers seeking employment, observed that " there was no similar instance (to the one referred to) on record, of so great an inundation of inhabitants breaking into any country, barbarous or civilized, not even when the Goths and Vandals overwhelmed the Roman Empire." What would this writer have said, could he have foreseen, that in the twenty years that were to elapse between 1840 and 1860, an inundation of 4,265,000 people would journey 3,000 miles, instead of a brief hundred, to seek a home and a livelihood within the limits of the United States !

An examination of the tables of our exports and imports for the five years next preceding 1863, furnishes also some very significant facts illustrative of the vast aggregate wealth of the whole country, and particularly of the loyal States, during the first two years of the war. Thus, the total amount of exports for the three years, from 1858 to 1861 inclusive, when cotton and other Southern staples constituted a large portion of their value, was \$1,167,768,000 ; and of imports, \$1,051,704,000 ; leaving a balance to our credit as the result of three years trade, of \$116,063,000. This was then considered, and most justly, as a gratifying proof of the prosperity and strength of the country ; and yet in the next two years, or from 1861 to 1863, with war on a gigantic scale prevailing, and with a total loss of what were our former chief exports, the credits arising from trade with foreign

nations were \$102,878,000;* or in other words, the loyal part of our divided country realized in two years from its foreign trade, a sum nearly as large as had accrued to the whole country in the preceding three years of peace, with all our staples available for export.

We come now more particularly to the consideration of the future; and our task, in this respect, can be little else than the pointing out of the national resources available for development.

We have already dwelt at some length on the subject of immigration; but there are features of great interest connected with it that we have not alluded to. The total number of immigrants who have arrived in this country since the commencement of 1861, has already been given as about 452,000; and the probable number, up to the close of the present year, as 752,000. The general agent in charge of the immigrant landing depot in New York City, estimates the average amount of coin in the possession of each immigrant landing, from the 1st of January to the 1st of May, 1864, in New York, at \$80. Assuming this amount *per capita* to remain constant, and that the total immigration for 1864 reaches the number of 300,000, then the specie brought into the country for this year only, will amount to \$24,000,000—a sum exceeding two thirds of all the specie held by the banks of New York, Boston, and Philadelphia, on the 1st of July of the present year.

Supposing \$80 to represent the amount of coin belonging to each immigrant arriving from January 1, 1861, to December 31, 1864, then the total aggregate of specie thus brought into the country would be \$67,160,000; or if we reduce the individual average from \$80 to \$50, \$37,600,000.†

* The following are the figures in detail :

	<i>Exports.</i>	<i>Imports.</i>	<i>Balances.</i>
1858-59	\$356,789,462	\$338,765,130	\$18,024,338
1859-60	400,122,296	362,163,941	37,958,355
1860-61	410,856,818	350,775,835	60,080,983
1861-62	229,790,280	205,819,823	23,970,457
1862-63	331,844,247	252,935,872	78,908,375

† Mr. John A. Kennedy, formerly Superintendent of the New York Castle Garden Immigration Depot, stated some years since, in a letter addressed to the

But the value of an immigrant to the country is not to be estimated merely by the amount of personal property he possesses, or brings with him. As a laborer and a producer, or if you please, as a consumer of products, yielding a revenue to the state, he has a value which belongs to the country, as much so as the value of a slave is arrogated to belong to him who calls himself his master. This value, counting Caucasian blood at the North to be worth as much as Ethiopian was at the South before the war, and reducing it according to the Southern tariff for uneducated labor to a money basis, we may fairly estimate to average \$500 per head for each immigrant man, woman, and child, arriving in this country. Adopting this standard, then, we have, as the aggregate cash value to the country of the immigration of 1864, the sum of \$150,000,000 ; and of the immigration from 1861 to the close of 1864 inclusive, the sum of \$376,000,000. If we assume further, that for the remaining five years of the present decade, *i. e.* from January 1, 1855, to December 31, 1869, the annual immigration averages only 250,000 ; then, we have, as the cash value to the country for the present decade of this constant influx of population, the enormous sum of one thousand millions of dollars.

If any are inclined to the opinion, that our estimate of \$500 as the cash value to the country of each immigrant arriving is too high, we would call his attention to the following circumstances : 1st, that the number of slaves, of all ages and conditions returned by the census of 1860, was, 3,950,000 ; and that their assessed value was \$1,936,000,000 ; or nearly \$490 per head ; 2d, that the price of an able-bodied field laborer—man or woman—at the South, has not been less than a thousand dollars per head for many years ; and 3d, that a great majority of the immigrants arriving in this country are in the prime of life ; in full health ; are possessed of some little property, in money or

American Geographical Society, that "a careful, systematic inquiry, extending over a period of seventeen months, gave an average of \$100 (almost entirely in coin) as the money property of each immigrant man, woman, and child," landing at New York.

tools, and are very often highly skilled in some department of mechanical industry. We leave it, therefore, to our readers to say, whether our estimate of \$500 could not with fairness be rather placed at \$1,000 *per capita*.

It should also be borne in mind, that all the strength and wealth derived by a country from such an addition to the population, as the United States have been receiving, and the loyal States do still receive, constitute an advantage absolutely unknown to England and the other European states. In the case of Great Britain, it has been estimated, that the number of foreigners who arrive upon her shores, with the expectation of making that country their permanent home, does not exceed one thousand souls per annum. Therefore, in respect to immigration, as has been heretofore remarked, in respect to our decennial increase of wealth, the position of the country, is entirely anomalous, and without precedent in history; and our ability to sustain and pay off an immense debt cannot be rightfully judged of by any foreign precedents.

The amount of arable, fertile land in the possession of a state or country, is always regarded as one of its great, if not its chief element of wealth; inasmuch as all wealth comes originally from the soil, and all commerce is but the interchange of the raw or manufactured products of the soil. Now it is well known, that the Federal Government has yet in its possession one of the largest domains of unoccupied fertile soil, upon the face of the globe, all of which is open to the actual settler, without money and without price. It is well, however, in calculating upon our ability to pay debts and taxes, to know more than generally; what our national assets are in this particular, and we therefore invite the attention of our readers to the following statement of facts:

On the 30th of September, 1863, the quantity of public lands remaining in the possession of the Federal Government, was (1,044,628,000) one thousand and forty-four millions of acres, embracing an area of over 2,000,000 square miles. This domain

is about two thirds of our geographical extent, and is nearly three times the area of the territory of the United States at the commencement of their existence as a nation. It is an extent of territory sufficient to make thirty-two additional States, each as large as the great central State of Ohio. It includes the extensive and rich mining districts of California, Nevada, Colorado, Oregon, Washington Territory, Arizona, and New Mexico. "It embraces soils capable of abundant yield of the rich productions of the tropics, of sugar, cotton, rice, tobacco, and the grape (now a staple of California), and of the great cereals of the more temperate zones—wheat and corn. Instead of a dreary waste as this land was formerly supposed to be, the millions of buffalo, elk, deer, and mountain sheep, the primitive inhabitants of the soil, fed by the hand of nature, attest its capacity for the abundant support of a dense population through the skilful toil of the agriculturist. Furthermore, not only is the yield of food for man in this region abundant, but it holds in its bosom the richest known deposits of gold, silver, and mercury; and of the so-called useful metals, lead, copper, and iron." The value of this vast national property, if estimated at the former government price of land, viz.: one dollar and a quarter per acre, would be \$1,305,785,000.

Previous to the war, cotton was regarded as one of the chief elements of our national wealth and prosperity. Owing to favoring circumstances of climate and soil, American cotton was superior in quality and inferior in price to all raised elsewhere; and it had come to form so large a part of the commerce and manufacturing industry of the world, as to acquire the appellation of "King." Nor was the title inappropriate. Cotton was indeed "King," and his throne in 1860 was 5,000,000 of bales, raised by the labor and watered by the tears of four millions of the most miserable of slaves. Though now dethroned, cotton will be King again, but his dominion henceforth, will be infinitely wider, and his tenure of authority infinitely stronger, inasmuch as it will be based on free labor, and the skilful appliances

which economical and skilled agriculture knows how to prepare and use. Are we speaking boastfully or metaphorically? Let us see.

It is now generally admitted by all authorities, that while a full supply of cotton may, in course of time, and under the stimulus of high prices, be procured elsewhere; yet, whenever its cultivation is resumed, under favorable circumstances, in the United States, this country will again become the main dependence of the world;* as much so as in 1860, when 89½ per cent. of all the cotton consumed in Great Britain was the product of the Southern States.

Some idea of the increased product of cotton required yearly, to meet the demands of the world's consumption, may be formed from the fact, that the average increased consumption of England alone, from 1850 to 1860, was at the rate of 87,880 bales (of 450 pounds each) per annum, or 39,546,000 pounds. Some idea of the capacity of this country to supply this annually increasing demand, may also be formed from the fact, that, of the land available and suitable for the cultivation of cotton, in the so-called cotton States, *the maximum amount ever cultivated did not exceed one and seven tenths* ($1\frac{634}{1000}$) *per cent.*

That the supply of cotton from the South, under its system of slave labor, has not been for many years equal to the demand made upon it, is clearly shown by the fact, that, notwithstanding the annual crop increased from 2,394,000 bales, in 1844, to

* The only region which has yet been discovered outside of the United States, where all the conditions for the successful cultivation of cotton are met with (for it appears to be essential that it shall not be a tropical region) is in Queensland, Australia. Here, however, the great distance from market, the scarcity and high price of labor, and the proximity to rich gold fields, must prevent any very rapid development in the cultivation.—*Report by Edward Atkinson, to the Boston Board of Trade, 1863.*

In a more recent publication upon the future supply of cotton, Mr. Atkinson modifies the above statement, and gives the details of the unexpected increase in the cotton crop of Egypt, and the successful attempt to introduce the cultivation of cotton in Turkey and Asia Minor; and he also states that the cultivation of the staple in these countries will probably be maintained even at ordinary prices, as the best English and French skill and machinery are being applied, but that no crop can be raised in many years which shall more than meet the increased demand which will prevail when low prices are restored, or which can interfere with the demand on this country for larger crops than were ever before raised.

4,675,000, in 1859, the price advanced in Liverpool, during the same time from $8\frac{3}{4}$ to 11 cents per pound, or $\$9.67\frac{1}{2}$ cents per bale.

The time, therefore, had fully come, when some change in the system of labor was absolutely needed at the South, in order to enable it to meet the demands of the world for its great staple ; and that this change was, to a certain extent, in progress before the war, is demonstrated by the fact that, of the cotton crop of 1850, one ninth part was the product of free labor. How rapidly the change will take place after the war, and how rapidly the supremacy of our country in the cotton markets of the world will be again attained to, is thus shown by Edward Atkinson, Esq., in an able and exhaustive report, "On the manufacture and supply of cotton," made to the Boston Board of Trade in 1863, and to whom we are mainly indebted for our statistics on this subject. He says : "The principal cotton region of the South is not upon the unhealthy coast line where malarious fevers prevail, but is mostly a healthy, interior upland country, the largest portion being far more healthy than many of the Western States. An able-bodied man can easily raise, and, with the assistance of his children, can pick, 5,000 pounds of cotton per annum ; at the same time raising an ample supply of food for his family. This can be done with less hard work than is required of farm laborers in New England. It is not probable that large crops of cotton will be raised for the next five years, or that cotton will in that time rule below an average of 25 cents per pound. How rapid a settlement of the cotton region will be induced by the ability of a common laborer to raise in each year an ample supply of food, and a crop of cotton which will bring $\$1,250$ in gold on demand, let each one judge."

We come next to consider the probable future augmentation of our national wealth and national revenues from the development of the mineral deposits of the country, especially the deposits of the precious metals, which are known to exist throughout the Western portion of the continent, and extend, according to the Report of the Commissioner of the General Land

Office (December, 1862), over an area of more than a million square miles of our territory.

The gold product of California, from 1848 to 1862, inclusive, is variously estimated at from \$734,000,000 (Hittel), to \$1,049,000,000 (*Bankers' Magazine*). The annual gold product of California, at the present time, is believed to be about \$44,000,000; while the product of all the mining industry of the State (gold, quicksilver, &c.), for the past three years is returned as follows: 1861, \$42,100,000; 1862, \$44,105,000; 1863, \$47,982,000. The amount of treasure shipped from San Francisco during 1863, was \$46,071,000.*

Reliable data for accurately estimating the *present* gold and silver production of the loyal States and Territories are not now obtainable; but there are reasonable grounds for believing that the value of the product for the year 1864 will not fall short of \$125,000,000. With a view of assisting our readers to form a judgment on this topic, we submit the following statements: The amount of gold derived from the mines of Washington Territory, for 1862, was estimated at \$5,000,000; from the mines of Colorado for the same year, \$12,000,000; the receipts of silver at San Francisco, from the Washoe and Esmeralda mines of Nevada, were \$12,430,000 in 1863, against \$6,000,000 in 1862; while the total produce of these mines for 1863 was estimated to exceed \$15,000,000. The product of the Oregon mines in 1862 was*estimated, from carefully collected data, to exceed \$12,000,000; and, according to Mr. S. B. Rugles, their product for 1863 was estimated at \$20,000,000. The Commissioner of the General Land Office, in his official

* The Custom-House exhibit of the export of gold from San Francisco is an uncertain test by which to determine the total gold product of California. Messrs. Hussey, Bond & Hale of San Francisco, in a recent circular regarding the gold product of California, state that the amount carried home by returning passengers, the exports to Europe, China, the Pacific ports of South America, the amount carried overland to Mexico, and the amount retained in California for purposes of currency, is equal to seventy-five per cent. upon the amount of exports as exhibited by the manifests of the American steamers to Panama. One returning passenger is known to have carried \$80,000 as baggage, to save freight. A single passenger on board the ill-fated Central America is known to have carried twenty thousand dollars in his valise.

report, made December 29th, 1862, in speaking of the "great auriferous region of the United States" in the Western portion of the continent, says :

"The yield of the precious metals alone of this region will not fall below one hundred millions of dollars the present year, and it will augment with the increase of population for centuries to come." "Within ten years the annual produce of these mines will reach two hundred millions of dollars in the precious metals, and in coal, iron, tin, lead, quicksilver, and copper, half that sum." He adds that, "with an amount of labor relatively equal to that expended in California applied to the gold fields already known to exist outside of that State, the production of this year, including that of California, would exceed four hundred millions." And yet no fact is more unquestionable than that this great territory is in its infancy of mining.

But these magnificent results of mining upon the Pacific slope, and their still more magnificent promise for the future, should not cause us to overlook the steady development of mining industry in other portions of our country. The production of coal, iron, copper, lead, and salt, in the loyal States east of the Mississippi has everywhere greatly increased since the commencement of the war, and in no locality diminished. Take for example the statistics of the mineral region of Lake Superior. In 1862, the quantity of iron shipped from Marquette was 115,721 tons ; in 1863, the quantity exceeded 200,000 tons. The product of copper from the mines of this region has also increased since 1858, as follows : Product in 1858, 3,500 tons ; 1859, 4,200 tons ; 1860, 6,000 tons ; 1861, 7,400 tons ; 1863, 8,548 tons. This last amount exceeds one half of all the copper annually obtained from all the well-known mines of Great Britain. In 1858, there was also added to our mineral wealth and industry an article whose production, in a measure peculiar to our country, has increased since the commencement of the war in a manner unparalleled in the history of the world's trade and commerce. We allude to the article *petroleum*, or "*coal oil*." In 1859, petroleum held no place in the list of our

country's exports. In 1861, however, 1,112,000 gallons were exported ; in 1862, the quantity increased to 10,800,000 gallons ; while for 1863, the exports exceeded 28,000,000 gallons ; which would have required for its conveyance the services of 252 ships of the average burden capacity of 1,000 tons each. The whole national product of petroleum for the year 1863 undoubtedly exceeded 60,000,000 gallons, which, at its average price of thirty cents per gallon, added to the annual product of the country a value of eighteen millions of dollars.

In the census returns of 1860, Michigan was not even mentioned as one of the States in which the manufacture of salt constituted a notable branch of industry ; yet in 1863, the amount of salt manufactured in this State exceeded two millions of bushels ; a growth in two years equal to that attained by the celebrated Onondaga salt-works of New York, thirty-eight years after these salt-springs had passed under the superintendence of the State.

Thus rapidly has the mineral wealth of the loyal States developed since the commencement of the war.

One great and acknowledged source of wealth to Great Britain has been the product of her mines ; the officially returned value of which for 1862 was \$170,000,000 (£34,000,000). Large as this amount is, and much as it undoubtedly contributed to the resources of the kingdom, the mineral product of the loyal States for 1863 undoubtedly exceeded it in value ; our estimate for the year being as follows

Precious Metals (Gold and Silver).....	\$100,000,000
Coal (valuation in 1860 by Census report, \$19,365,000).....	36,000,000
Petroleum	18,000,000
Quicksilver.....	2,000,000
Pig Iron (valuation by Census of 1860, \$19,487,000).....	30,000,000
Copper	2,500,000
Lead (valuation of 1860, \$977,281).....	1,000,000
Salt (valuation of 1860, \$2,265,000).....	2,500,000
Other products, zinc, nickel, chrome, &c.....	200,000
Total.....	\$182,200,000

And this in the mere inception of our mining industry, when we may be said to have done little more than "scratch the ground."

No estimate of future resources of the country, furthermore can be considered complete, which fails to take into account the great augmentation of values which is sure to accrue in time to the South from the substitution of free for slave labor. This matter is set in a clear light by the following statement, which any one who doubts can verify for himself by referring to the official statistics of the census of 1860 :

If the product per head of the population in the Slave States had been the same in 1859 that it was in the Free States, there would have been added to the aggregate national wealth returned at that time, the additional value of \$1,531,631,000 ; a sum nearly equal to the entire national debt, June, 1864.

The advantage of a system of free labor over slave labor, in increasing the aggregate national wealth, is also clearly shown by comparing Maryland in 1860, one of the most prosperous of the slave States, with Massachusetts, one of the most prosperous of the free States. Maryland has 11,124 square miles ; Massachusetts 7,000 square miles. Maryland has a shore line—sea and river—of 1,336 miles ; Massachusetts, 764 miles. Maryland has double the area of good land that Massachusetts has. With these natural advantages on the side of the former, let us now contrast the industrial and other advantages which have been obtained by the latter. Rate of mortality in Massachusetts, 1 in 92 ; in Maryland, 1 in 57. Value of the products of Massachusetts in 1860, \$287,000,000 ; in Maryland, \$66,009,000. Value of products per head in Massachusetts, \$235 ; in Maryland, \$96. That is to say, the average annual value of the labor of each person in Massachusetts was greatly more than double that of Maryland. The value of all property, real and personal, in Massachusetts, in 1860, was \$815,000,000 ; in Maryland, \$376,000,000. Comparing this with the value of products before mentioned, the profit on capital was in Massachusetts 35 per cent. ; in Maryland, 17 per cent., or less than one half ; and

it is a noticeable fact, that only in two slave States, Delaware and Missouri, was the rate of profit larger than in Maryland, and in both of these were comparatively fewer slaves. Another remarkable fact, recently brought out by Hon. R. J. Walker (to whom we are indebted for these slave and free State statistics), is, that as Maryland is to Massachusetts, so is South Carolina to Maryland; the product per head in 1860 being in Massachusetts, \$235; in Maryland, \$96; in South Carolina, \$56; or in free Massachusetts the reward of labor is more than double that in Maryland, and four times that in South Carolina.

Now, the way to make the Southern States as rich and productive as the Northern, and even more so, as Mr. James Brooks, editor of the N. Y. Express, justly observed more than thirty years ago, during a journey in the South, is to abolish slavery. "Substitute skilful, intelligent, interested free labor for unskilled, ignorant, and uninterested slave labor," and, as he remarked, "South Carolina would be the wealthiest State in the Union."

Now, we are going to have the assistance of this added and hitherto undeveloped wealth, to pay, not only the interest, but the principal of our national debt. With "small farms and divided free labor taking the place of the feudal system," as Mr. Brooks says, all the immense, undeveloped natural resources of the Southern States will vastly increase our national wealth and prosperity. This increase, Mr. R. J. Walker (whose advantages and capability for forming a judgment are not surpassed by any other person) estimates will amount in *ten years* to the great sum of over *seventeen thousand millions of dollars*.

Thus the mere addition we shall make in ten years to our national wealth, by abolishing the "institution" which has been so long a curse and a source of dissension to us, would many times over pay our national debt.

Moreover, the abolition of slavery cannot fail to add immensely and directly to our national revenue. A slave paid no taxes, directly; and indirectly but little more than a horse or a cow. His two annual suits of linsey-woolsey, and his weekly peck of corn meal and a few pounds of bacon, contributed little to na-

tional revenue, and he had no wages to spend; but as freed men, they become at once consumers of taxed articles. This is strikingly shown in the last year's (1863) history of the colonies of freed blacks upon the sea islands of South Carolina. In these colonies, nearly every woman has provided herself with a silk dress and a pair of gold ear rings out of the product of their earnings—a thing remarkable in itself, inasmuch as many of the purchasers, as slaves, had never, in the whole course of their lives, been the possessors of a single dollar; while upon one of the smaller islands, a colony of a few hundred emancipated slaves are reported to have bought and paid for domestic goods, in a twelvemonth, to the value of over \$20,000. "Our Southern trade"—though so valuable in former years—will, therefore, when peace is restored, by the recognition of federal authority, be undoubtedly a hundred times more extensive and profitable than it has ever been. Four millions of consumers, not only of necessaries, but of luxuries, will be at once added to the tax-paying population. "Also by freeing the slaves, white labor will be relieved of a ruinous competition, and will reap a large reward in that vast territory from which it has been for years almost entirely shut out. This will add still more largely to the consumption, as well as to the internal commerce and revenue of the country."*

Finally, in estimating the future resources of the country, and its capacity to carry a large burden of debt and taxation, it

* "The Philadelphia" (Free Men's Aid) "Society has a store on St. Helena Island. In this store alone—and there are others on the island carried on by private enterprise—two thousand dollars' worth of goods are sold monthly. There is a great demand for plates, knives, forks, tinware, and better clothing, including even hooped skirts. Negro cloth, as it is called, onaburgs, russet-colored shoes, in short, the distinctive apparel formerly dealt out to them, are very generally rejected. But there is no article of household furniture or wearing apparel used by persons of moderate means which they will not purchase, when they are allowed the opportunity of labor and earning wages. What a market the South would open under the new system! It would set all the mills and workshops astir. Four millions of people would become purchasers of all the various articles of manufacture and commerce, in place of the few coarse, simple necessaries laid in for them in gross by the planters. When these people can no longer be used as slaves, men will try to see how they can make the most of them as freemen. Your Irishman honestly thinks he hates the negro; but, when the war is over, he will have no objection to going South and selling him groceries and

should not be overlooked that the opportunity for a civilized nation to increase its aggregate wealth was never before, in the history of the world, so great as at present, and therefore no former precedents respecting the actual burden of a great debt upon a nation can be fairly quoted as applicable to the present. This is due mainly to two circumstances : 1st, *The accumulation of national capital* : and 2d, *to the introduction of labor-saving machinery*.

In relation to the *first*, it is simply necessary to direct the attention of the reader to the fact that *wealth makes wealth* : or, in other words, that resources and capital accumulated, and properly used, invariably bring large additional resources and capital. The man that had ten talents could produce more easily ten additional talents, than he who had one could produce a single additional one ; and so in regard to this country, or the loyal part of it. With a capital in 1860 more than double what it possessed in 1850, its capacity and power to increase its wealth in 1860 was of necessity more than double what it could have been in 1850.

2d. The opportunity or power of a country to increase its national wealth or capital is greatly augmented by the introduction of labor-saving machinery. A single statistical fact illustrates this proposition better than volumes of assertion. It was shown by official statistics in Great Britain, some years since, that if the stage-coach system, which was the main reliance of that country in 1830 for the transportation of travellers, had continued in use up to 1854. and had then been required to do the work of passenger transportation alone, which the railway system of that year effected, the increased cost of the

household implements at fifty per cent. advance on New York prices.—*Atlantic Monthly*, September, 1863.

Let us also, in this connection, glance at the effects of emancipation on the trade and industry of the British West India Islands. Emancipation took place in British Guiana, Barbadoes, Trinidad, and Antigua, in 1830. The average value of the annual export of sugar from these islands, for 1827 to 1830, was \$8,840,000. The average annual value, from 1851 to 1860, was \$14,600,000. Land in Barbadoes has doubled in value since emancipation. Under slavery, the value of American imports to Barbadoes did not average more than £60,000 per annum ; at present it is from £300,000 to £400,000 annually.

business would have been £40,000,000 (\$200,000,000) per annum more than the whole cost of the railway passenger and freight conveyance of the same year ; or, in other words, the introduction and use of railways in Great Britain added to the productive capital of the country for the year 1854 the sum of \$200,000,000, "an amount," as Robert Stevenson expressed it, "exceeding by 50 per cent. the yearly interest of the (British) national debt."

With such a return from a single department of improved industry, who can estimate the yearly addition to the wealth and capital of a country like ours, where the invention and introduction of labor-saving machinery is universally regarded as a leading and peculiar feature of its civilization and history ?

The census of 1860 returned the population of Massachusetts as 1,230,000 ; yet how inadequately the mere enumeration of the number of individuals composing a State like this expresses its power and resources is evident, when we remember that, in 1860, the machinery of Massachusetts was returned as capable of doing the work of *more than a hundred millions of men*. Now, such an addition to the productive capacity of a State fifty years ago, was not possible, inasmuch as a great part of the machinery and appliances by which it had been evoked were not then in existence ; and if we are not warranted in predicating of the next fifty years an equal progress in improvement, we think we are justified in believing that a nearly equal gain in resources will accrue to the whole country from the more extensive introduction and use of the labor-saving inventions and processes already in existence. We would also call the attention of our readers, in this connection, to the very interesting circumstance, that war and the embarrassed condition of our finances, so far from restricting the inventive genius of the country and retarding the introduction of improvements, has acted rather as a stimulant. This is proved by the increased number of patents issued during the last three years (*i. e.*, 1861, 2,581 ; 1862, 3,522 ; 1863, 4,170) ; and also by the fact that, notwithstanding the great draft of men from the agricultural States to the ranks

of the army, the harvests, through the more extensive use of machinery, have rathered increased than diminished.*

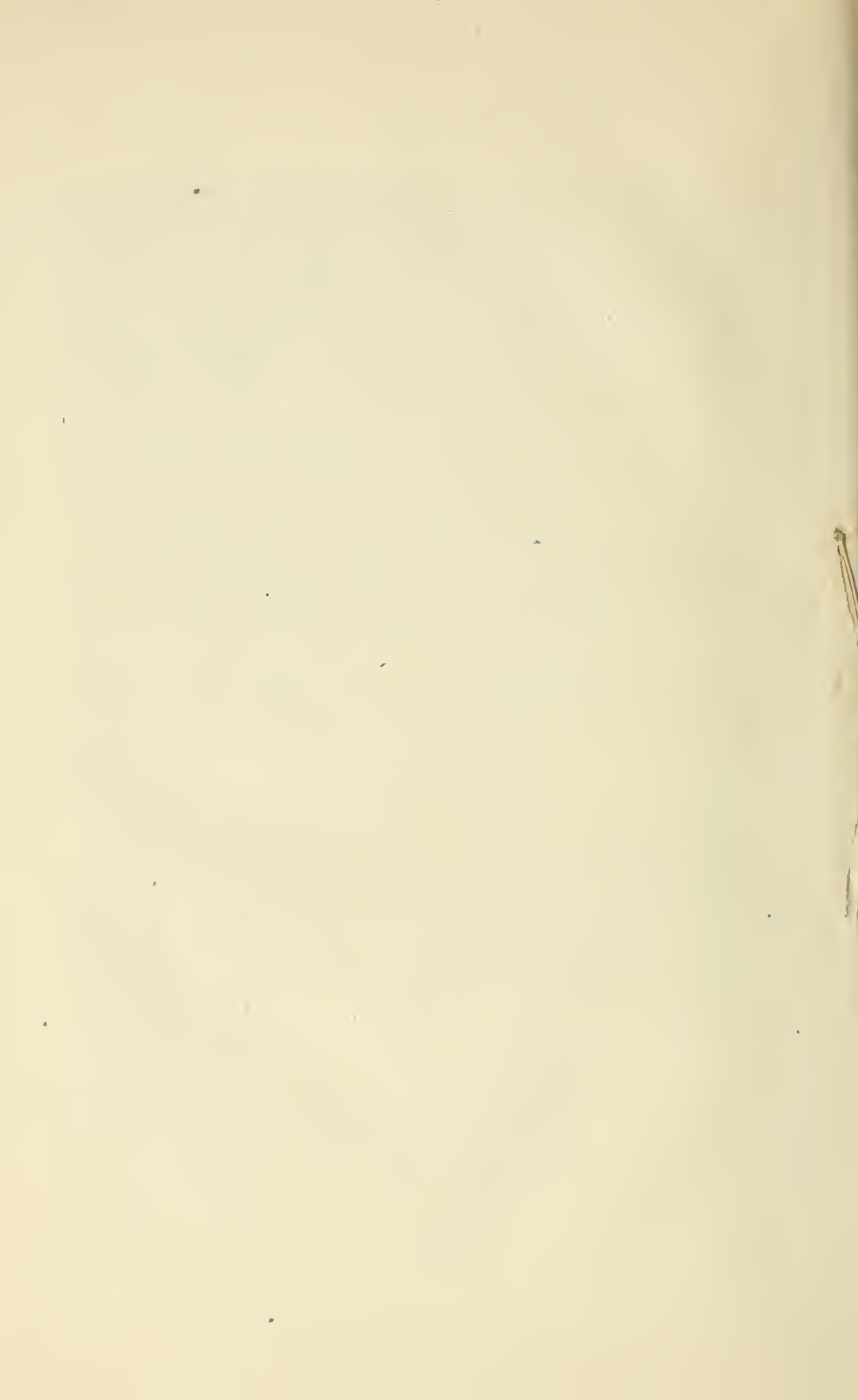
We have thus endeavored to present an accurate and popular, but by no means complete, exhibit of the growth and development of our country during the past ; and its present financial and industrial strength ; and, guided by the experience of former years, have sought to forecast and estimate, in a degree, its increase in the future. Fear, however, of extending this essay to an inordinate length, has induced us to refrain from the mention of various topics of nearly equal interest to those presented—such as the wonderful increase of our tonnage (temporarily interrupted in its growth by the existence of war and legalized piracy) ; of the increased value given to land by the extension of our railway system ; of the addition to our agricultural resources of new staples for culture, as the sorghum,† and the like. But enough, we think, has been said ; enough of statistics (which no partisan zeal can wrest from their true meaning) have been given, to satisfy our readers that the country cannot be destroyed, or even crippled, by any *probable* future debt ; and to induce every loyal man, as he reflects upon our resources as a nation, to “*Thank God and take courage.*”

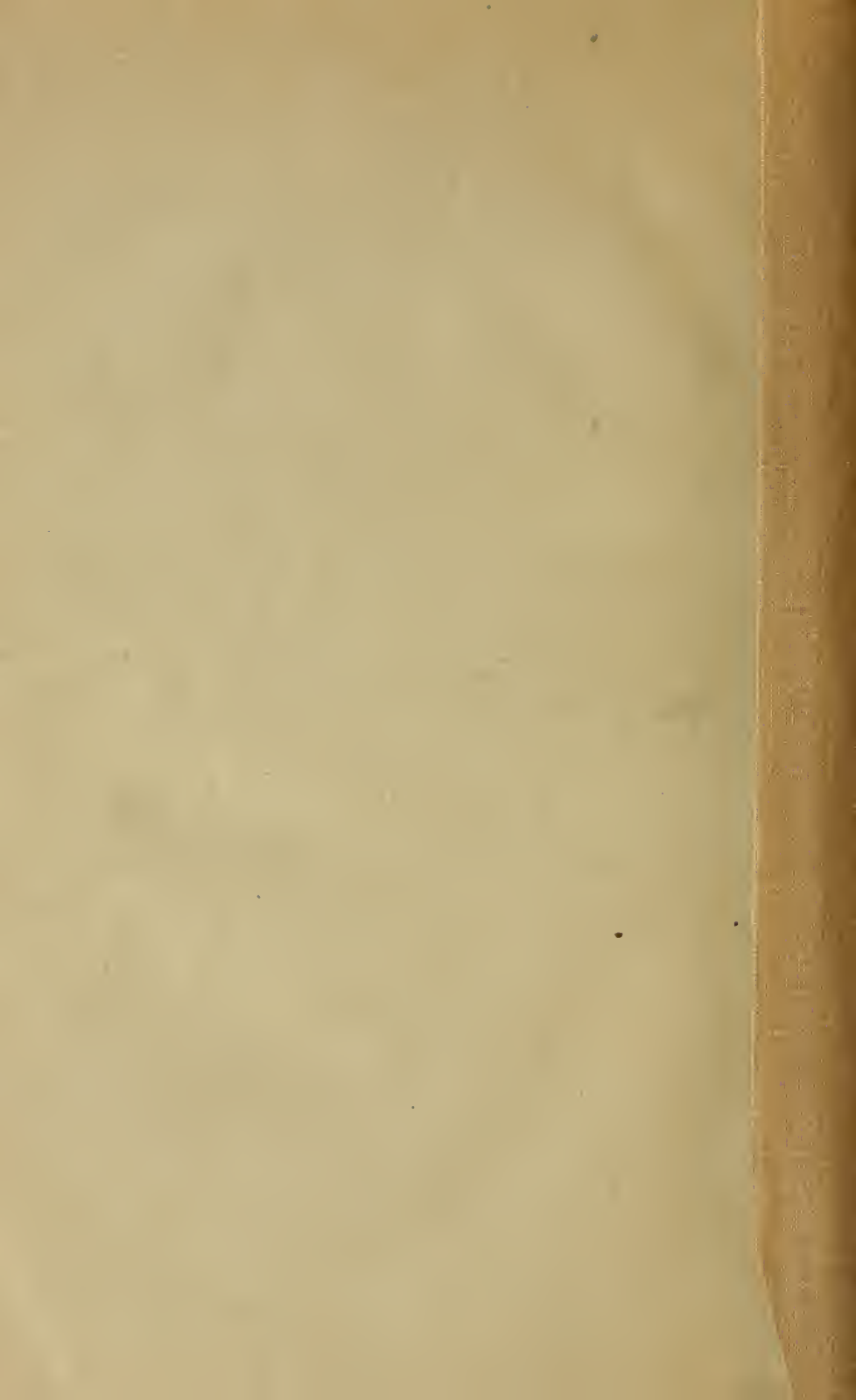
* An interesting illustration of the manner in which American industry is enabled, through the machinery it invents, to compete with and distance the cheapest known labor of the world, is to be found in the machine recently invented for splitting cane (rattan) used for the manufacture of “cane-seat” chairs. The strips of cane used for this purpose are derived from the outer and “glassy” layer of the “East India rattan” ; and in order to take advantage of the low price of Chinese labor (some few cents per day), they have usually been split or peeled from the rattan before exportation. Within a comparatively recent period, however, a machine has been invented in this country, and successfully used, which, at one operation, takes off the whole outer portion of the rattan in strips, so much more rapidly, cheaply, and perfectly, as to forbid all competition from the Chinaman ; and, in addition to this, leaves the interior of the rattan so well adapted for conversion into “artificial whalebone” for the manufacture of umbrella-frames, that the latter possesses a value, and sells in the market for as much as the first cost of the original cane as imported. We might also refer, as an example of recent American inventions, which have swept away, as it were, at one stroke, entire and ancient crafts of hand-labor, to the American cork-cutting machine, which cuts in one hour more and more perfect corks than ten expert workmen can cut in a day ; and of inventions more particularly induced by the exigencies of the times, to that of “paper string” or “twine,” so much cheaper and stronger than ordinary “cotton twine,” that the use of this latter will undoubtedly be hereafter, in a great degree, discontinued.

† Of sorghum molasses, which was not known to this country in 1850, there was manufactured, in 1860, *over seven millions of gallons.*

But some may say, after reading this essay, "Admitting all that has been stated respecting the history of the past; admitting, also, that all the conditions for a future enormous increase and development of national wealth actually exist; yet, will not the necessity for the imposition of a future heavy taxation effectually cripple and check the industry and progress of the nation?" To this we reply, that the history of Great Britain furnishes us with a sufficient answer and refutation.

Thus, in 1816, Great Britain, with a population of 19,275,000, without one mile of railway, or a single ocean steamer, with comparatively few labor-saving machines, and with onerous (and now obsolete) restrictions upon her industry, carried and sustained the maximum debt of her history, viz.: \$4,205,000,000; and not only has Great Britain carried and sustained this enormous debt for the last forty-eight years (during which time she has almost constantly been engaged in war in some quarter of the globe) but she has so greatly thriven and prospered under it, that she now ranks *first* in wealth, and *first* in industrial power of all the nations that at present exist, or have ever existed. Shall the loyal States in 1864 (to say nothing of the whole country), with a present advantage of 30 per cent. in population, 33 per cent. in property, and more than 100 per cent. in the value of annual production—with a virgin soil, enormous emigration, a system of land tenure which conduces to the highest prosperity of the greatest number, and a condition of society in which individual enterprise is encouraged and fostered—shall the loyal States, we ask, with all these advantages, sink under a burden of debt less than two thirds that which Great Britain sustained in 1816?





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