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HENRY CLAY  
AND HIS  
"AMERICAN SYSTEM"

by  
Frances Vosburgh Baker

*Soc. Sci 492*

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"AMERICAN SYSTEM"

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IN

EDUCATION

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P. 18 - line 16

Bad grammatical  
construction :

Use "had" instead  
of "did not have".

gHS

## HENRY CLAY AND HIS "AMERICAN SYSTEM"

In the less promising region of Virginia known as the "slashes" or low, swampy ground on the South Anna river, Henry Clay was born April, 1777. Henry's father, William Clay, a Baptist clergyman with a local reputation as an orator, died when Henry was four years old.<sup>1</sup> Henry's mother was interested in educating Henry and managed to pay tuition to one Peter Deacon, "a dissipated schoolmaster, who taught Henry reading, writing, and the science of arithmetic 'as far as Practice'"<sup>2</sup> in a log school house with an earthen floor and puncheon seats. Henry received no classical education.<sup>3</sup> As a boy, he often went to the mill of Mrs. Darricott on the Pamunkey river with grain to be ground into meal or flour. On such occasions, Henry usually sat on a bag containing three or four bushels of grain or flour; and thus he earned his first appellation, "the mill-boy of the Slashes."<sup>4</sup>

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<sup>1</sup>Edwin Erle Sparks, The Men Who Made the Nation (New York: Macmillan Co., 1900), p. 261.

<sup>2</sup>Ibid.

<sup>3</sup>Epes Sargent, Esq., The Life and Public Services of Henry Clay (New York: Greely & McElrath, 1848), p. 3.

<sup>4</sup>Calvin Colton, The Life and Times of Henry Clay (New York: A. S. Barnes & Co., 1846), I, 19.

Mrs. Clay, mother of Henry, was married a second time to Captain Henry Watkins. Through the efforts of Mr. Watkins, Henry was employed as assistant to the clerk of the Virginia High Court of Chancery and came under the patronage of Chancellor George Wythe, a former teacher of Thomas Jefferson and John Marshall.<sup>5</sup> Henry Clay was released from his obligations to Peter Tinsley, Esq., the clerk of the high court of chancery of Virginia, in 1796.<sup>6</sup> Then Mr. Clay resided with Robert Brooke, Esq., the Attorney General, formerly Governor of Virginia. His only regular study of law was during the year 1797 while he lived with Mr. Brooke.<sup>7</sup> In 1797, Mr. Clay was licensed by the Virginia Court of Appeals to practice law before he was twenty-one years of age.<sup>8</sup>

In 1792, Mr. Clay's mother and stepfather had caught the Kentucky fever and joined the many families emigrating into that area. They settled in Woodford county, Kentucky, thirteen miles from Lexington.<sup>9</sup> In November, 1797, Henry Clay left Richmond, Virginia, and established himself in Lexington, Kentucky, where he was "without patrons, without the countenance of influential friends, and destitute of the

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<sup>5</sup>Ibid., p. 20.

<sup>6</sup>Ibid., p. 24.

<sup>7</sup>Sargent, op. cit., p. 4.

<sup>8</sup>Colton, op. cit., I, 28.

<sup>9</sup>Sparks, op. cit., p. 261.

means of paying his weekly board."<sup>10</sup>

During Mr. Clay's early years in Lexington, he became well-known through a debating society that he joined and commanded consideration and respect by winning some brilliant court cases. He became one of the earliest champions of popular rights in opposition to the famous alien and sedition acts passed in 1798 and 1799 during the administration of John Adams. "He was soon regarded as the leading spirit of the opposition party; and it was about this time that the title of 'The Great Commoner' was bestowed upon him."<sup>11</sup>

In 1803, while Mr. Clay was absent from the County of Fayette at the Olympian Springs, "he was brought forward, without his knowledge or previous consent, as a candidate, and elected to the General Assembly of Kentucky."<sup>12</sup> In 1806, Mr. Clay was elected by the Legislature of the State of Kentucky to fill the vacancy in the Senate of the United States caused by the resignation of the Honorable John Adair.<sup>13</sup> The term was for a single session.

The new senator proceeded to Washington in December, 1806, and by a rather singular incident learned, before his arrival at the capitol, what expectations had been formed of him, with regard to a particular measure by which the senate was then agitated. A few miles from

<sup>10</sup>Sargent, op. cit., p. 6.

<sup>11</sup>Ibid.

<sup>12</sup>Ibid.

<sup>13</sup>Ibid., p. 8.

Washington, he met with a stranger from Georgetown, in the District of Columbia, who, without knowing either his name or station, incidentally informed him, in the course of a friendly colloquy, that, at the seat of government, there was one engrossing topic of conversation. This topic was the erection of a bridge over the Potomac river. The citizens of Washington and Alexandria were in favor of the bridge and were endeavoring to obtain authority from Congress; but the people of Georgetown, in the District of Columbia, were strongly opposed to it as they believed "it would materially injure, if it did not ruin, the prosperity of their city." The old senators were equally divided, and some believed Clay would vote against the bridge and decide the controversy. Clay's first speech in the Senate was upon the bill. It was his first effort in Congress in favor of Internal Improvements -- a system of policy, which owes more to his exertions than to those of any other man living; and which, unless checked by the pusillanimity or wickedness of men in power, will ultimately advance the prosperity of our country, to a degree hitherto unattained, and almost undreamed of, by the mightiest nations of the world. His speech had far more value than his single vote, for he carried with him the majority of the Senate.<sup>14</sup>

In 1806, President Jefferson was concerned about the surplus in the treasury. The revenue was fifteen millions; and, after paying all the expenses of the government and the stipulated part of the national debt, there was still too much money.<sup>15</sup> The President, being a free-trader, would have favored a reduction in the tariff duties.<sup>16</sup> But the younger men of the Democratic-Republican party who had no theories about free-trade, and especially Mr. Clay who had just arrived in Washington after a six-weeks' horseback

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<sup>14</sup>George D. Prentice, Esq., Biography of Henry Clay (Hartford: Samuel Hammer, Jr. and John Jay Phelps, 1831), pp. 35-36.

<sup>15</sup>James Parton, Famous Americans of Recent Times (Boston: James R. Osgood and Company, 1874), p. 18.

<sup>16</sup>Ibid.

flounder over bridgeless roads, suggested another solution for the surplus in the treasury -- Internal Improvements.<sup>17</sup> But Jefferson, being a strict-constructionist, denied the authority of Congress to vote money for public works. He believed that an amendment to the Constitution should precede appropriations for public works. However, President Jefferson "stated at some length, and with force, the desirableness of expending the surplus revenue in improving the country."<sup>18</sup>

President Jefferson discussed the surplus in his message to Congress in 1806. The following lines taken from this message have been regarded as the text of half of Mr. Clay's speeches and the inspiration of his public life. The President was discussing the question, What shall we do with the surplus?

Shall we suppress the impost, and give that advantage to foreign over domestic manufactures? On a few articles of more general and necessary use, the suppression, in due season, will doubtless be right; but the great mass of the articles upon which impost is paid are foreign luxuries, purchased by those only who are rich enough to afford themselves the use of them. Their patriotism would certainly prefer its continuance, and application to the great purposes of the public education, roads, rivers, canals, and such other objects of public improvement as it may be thought proper to add to the constitutional enumeration of Federal powers. By these operations, new channels of communication will be opened between the States, the lines of separation will disappear, their interest will be identified, and their union cemented by new and indissoluable bonds.<sup>19</sup>

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<sup>17</sup>Ibid., p. 18

<sup>18</sup>Ibid.

<sup>19</sup>Ibid., p. 19.



After hearing the President's message, Mr. Clay did not wait for an amendment to be added to the Constitution giving Congress the right to spend the government surplus on Internal Improvements. Mr. Clay's first speech in the Senate was in favor of building the bridge over the Potomac. And one of Mr. Clay's first acts was to propose an appropriation of lands for a canal round the Falls of the Ohio at Louisville.

The subject of appropriations for Internal Improvements was at that time a novelty. So far as it related to the establishment of Post-Roads, it had, it is true, been discussed in February, 1795; but no formal opinion of Congress was expressed, so as to be a precedent.<sup>20</sup>

A committee of three, of which Mr. Clay was a member, was appointed to consider Mr. Clay's resolution for appropriating land for the canal proposed to be cut on the Kentucky shore at the Rapids of the Ohio. On February 24, 1807, Mr. Clay gave the report of the committee to the Senate and included the following passage:

How far it is the policy of the Government to aid in works of this kind, when it has no distinct interest; whether, indeed, in such a case, it has the Constitutional power of patronage and encouragement, it is not necessary to be decided in the present instance.<sup>21</sup>

A few days later, Mr. Clay reported a bill for the appointment of Commissioners to determine the practicability of removing the obstructions in the navigation of the Ohio at the Rapids. The bill passed the Senate by a vote of

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<sup>20</sup>Sargent, op. cit., p. 8.

<sup>21</sup>Ibid.

eighteen to eight.<sup>22</sup> On the same day that this bill was passed, Mr. Clay presented the following resolution:

Resolved, That the Secretary of the Treasury be directed to prepare and report to the Senate at their next session, a plan for the application of such means as are within the power of Congress, to the purposes of opening Roads and making Canals; together with a statement of undertakings of that nature, which, as objects of public improvement, may require and deserve the aid of Government; and, also, a statement of works, of the nature mentioned, which have been commenced, the progress which has been made in them, and the means and prospect of their being completed; and all such information as, in the opinion of the Secretary, shall be material in relation to the objects of this resolution.<sup>23</sup>

The above resolution passed the Senate with but three dissenting votes.<sup>24</sup> Accordingly, in 1808, Albert Gallatin, Secretary of the Treasury, made an exhaustive report to Congress upon the topography of the United States, and suggested a network of canals, roads, and rivers to be improved by the central government at an estimated cost of \$16,000,000.<sup>25</sup>

During Mr. Clay's first session in Congress, he heard President Jefferson's report on the survey for the Cumberland national road, a project in which Clay was to become deeply interested at a later date.<sup>26</sup>

<sup>22</sup>Ibid.

<sup>23</sup>Ibid.

<sup>24</sup>Ibid.

<sup>25</sup>Sparks, op. cit., p. 263.

<sup>26</sup>Ibid.

"During the first thirteen years of Henry Clay's active life as a politician,--from his twenty-first to his thirty-fourth year,--he appears in politics only as the eloquent champion of the policy of Mr. Jefferson, whom he esteemed the first and best of living men."<sup>27</sup> Before entering the Senate the first time, Mr. Clay had defended and aided Mr. Jefferson in the Kentucky Legislature. After returning to Lexington and re-entering the legislature, Mr. Clay continued to support the policies of Mr. Jefferson. In December, 1808, Mr. Clay introduced before the legislature a series of resolutions approving the Embargo, denouncing the British Orders in Council, and pledging the cooperation of Kentucky to any measures of opposition to British exactions upon which the government might determine. Mr. Clay's resolutions passed by a vote of sixty-four to one, Mr. Humphrey Marshall casting the dissenting vote.<sup>28</sup> Soon after this, Mr. Clay introduced a resolution recommending that the members should wear clothing of Domestic Manufacture for the purpose of encouraging American manufacture.<sup>29</sup> This resolution was denounced emphatically by Mr. Marshall. Mr. Clay replied, and the quarrel ended in a duel. At the first shot Mr. Marshall was wounded, and Mr. Clay received a small flesh wound in the leg at the

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<sup>27</sup>Parton, op. cit., p. 17.

<sup>28</sup>Sargent, op. cit., p. 9.

<sup>29</sup>Sparks, op. cit., p. 264.

second shot. The seconds interfered and stopped the duel.<sup>30</sup>

In the winter session of Congress in 1809-10, Mr. Clay was in the Senate for the second time. He had been elected by the legislature of Kentucky to complete the remaining two years of the term of Mr. Buckner Thurston who resigned.<sup>31</sup>

A bill was under discussion in the Senate for the appropriation of a sum of money to buy munitions of war, and for other purposes; "and an amendment had been proposed, instructing the Secretary of the Navy, to provide supplies of cordage, sail-cloth, hemp, &c, and to give a preference to those of American growth and manufacture."<sup>32</sup> Mr. Lloyd of Massachusetts moved to strike out the amendment, and in the remarks that followed, the general policy of promoting manufacturing in America became the main topic of discussion. The senators who were opposed to domestic manufactures "drew a dark and revolting picture of the squalidity and wretchedness of the inhabitants of Manchester, Birmingham, and other manufacturing cities of Great Britain."<sup>33</sup> They argued that manufacturing in the United States would bring about similar conditions.

In his first speech of his second term in the Senate, Henry Clay declared himself an advocate of the amendment

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<sup>30</sup>Sargent, op. cit., p. 9.

<sup>31</sup>Ibid.

<sup>32</sup>Ibid., p. 10.

<sup>33</sup>Prentice, op. cit., p. 49.

and domestic manufactures. Mr. Clay stated that Great Britain had been the manufacturer of a large part of the world, and, if the United States were to follow her example, its manufacturing districts would be, in process of time, the same as hers. However, if the United States limited its manufacturing to its wants, the evils would not exist.<sup>34</sup> Agriculture, he acknowledged, was the first and greatest source of national wealth and happiness. But "were we to cast our eyes upon the miserable peasantry of Poland, and revert to the days of feudal vassalage, we might thence draw numerous arguments against the pursuits of the husbandman."<sup>35</sup> Clay attacked "Dame Commerce, a flirting, flippant, noisy jade."<sup>36</sup> as opposed to domestic manufacture. He declared his pleasure and pride in being clad in American clothing. "Others may prefer the cloths of Leeds and London, but give me Humphreyville."<sup>37</sup> Mr. Clay told the Senate, "Let the nation do what we Kentucky farmers are doing. Let us manufacture enough to be independent of foreign nations in things essential,--no more."<sup>38</sup>

Homespun was again the theme of his speeches. His ideas on the subject of protecting and encouraging American manufactures were not derived from books, nor

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<sup>34</sup> Ibid.

<sup>35</sup> Sargent, op. cit., p. 10.

<sup>36</sup> Sparks, op. cit., p. 265.

<sup>37</sup> Ibid.

<sup>38</sup> Parton, op. cit., p. 20.

expressed in the language of political economy. At his Kentucky home, Mrs. Clay, assisted by her servants, was spinning and weaving, knitting and sewing, most of the garments required in her little kingdom of six-hundred acres, while her husband was away over the mountains serving his country.<sup>39</sup>

Mr. Clay's ideas were formed by the activities on his farm, in Ashland, and by the West he represented.

In 1848, Mr. Epes Sargent wrote the following concerning Mr. Clay's speech in the Senate at this time on domestic manufactures:

The sentiments avowed thus early in our legislative history by Mr. Clay are now current throughout our vast community; and the "American System," as it has been called, is generally admitted to be not only a patriotic, but a politic system. But let it not be forgotten, that it is to the persevering and unremitting exertions of Henry Clay, that we are indebted for the planting and the cherishing of that goodly tree, under far-spreading branches of which so many find protection and plenty at the present day.

The amendments advocated by Mr. Clay on this occasion were adopted, and the bill was passed. The first step toward the establishment of his magnificent "system" was taken.<sup>40</sup>

Many important subjects were discussed by the Senate in the 1810-11 session, and Mr. Clay was conspicuous in all of them. His services in the Senate enhanced his reputation, and the galleries were filled when he was expected to speak.<sup>41</sup>

At the end of Mr. Clay's fractional term in the Senate, he returned to Kentucky and was elected to the House of Representatives. "Congress convened on the day designated

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<sup>39</sup>Ibid.

<sup>40</sup>Sargent, loc. cit.

<sup>41</sup>Parton, loc. cit.

by Proclamation, the fourth day of November, 1811; and, on the first ballot for Speaker, 128 members being present, he was chosen by a majority of 31, over all opposition."<sup>42</sup>

James Parton believed that Mr. Clay's public life proper began when he became a member of the House of Representatives and was immediately chosen Speaker, and the most brilliant period of Mr. Clay's career was the eight years of Mr. Monroe's administration from 1817 to 1825.<sup>43</sup>

In February, 1817, Mr. Clay heartily supported the bill for Internal Improvements that was introduced by John C. Calhoun of South Carolina. Mr. Calhoun's plan for financing the Internal Improvements was to use the \$1,500,000 bonus that the National Bank was to pay for its charter and the interest that the Government was to receive on its \$7,000,000 of Bank stock. In his speech in favor of the bill, Mr. Clay stated that he thought there were "no two subjects which could engage the attention of the National Legislature, more worthy of its deliberate consideration than those of Internal Improvements and Domestic Manufactures."<sup>44</sup> The Bonus bill, as Mr. Calhoun's bill was called, passed Congress in February, but was vetoed by President Madison who believed that Congress did not have the right to spend public money for purposes not stated in its powers.

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<sup>42</sup>Sargent, op. cit., p. 11.

<sup>43</sup>Parton, op. cit., p. 24.

<sup>44</sup>Sargent, op. cit., p. 32.

Mr. Madison's friends were surprised at his veto, and, probably, no one as much as Henry Clay; for Mr. Madison, in his message to Congress at the beginning of the 1816-17 congressional session, had stated:

I particularly invite again the attention of Congress to the expediency of exercising their existing powers, and, where necessary, of resorting to the prescribed mode of enlarging them, in order to effectuate a comprehensive system of roads and canals, such as will have the effect of drawing more closely together every part of our country, by promoting intercourse and improvements, and by increasing the share of every part in the common stock of national prosperity.<sup>45</sup>

Mr. Madison sent back the Bonus bill without his signature on the third of March. The next day James Monroe was inaugurated President of the United States.

Unless conjecture is extremely at fault, Mr. Monroe, previous to seeing Mr. Madison's veto message, has prepared his own inaugural address, recommending, in strong and unqualified terms, a general system of Internal Improvement. On reading Mr. Madison's document, his resolution misgave him. Actuated by a timorous policy, and, perhaps half convinced by Mr. Madison's reasonings, he interpolated, among his own remarks, a phrase utterly and awkwardly at variance with their general import, in order that he might seem to agree with his predecessor. The impulse, thus accidentally given to his sentiments, determined, in a great measure, their permanent direction.<sup>46</sup>

In his message at the opening session of Congress in 1817-18, President Monroe stated that he had given the subject of Internal Improvement "all the attention which its great importance and a just sense of duty required, and the result of his deliberations was a settled conviction,

<sup>45</sup>Prentice, op. cit., pp. 146-147.

<sup>46</sup>Ibid., pp. 147-148.



that the power of making Internal Improvements was not vested in congress, and could be conferred only by an amendment of the Constitution."<sup>47</sup> Mr. Monroe also cited Mr. Jefferson's authority to show that, under the Constitution, "Roads and Canals could not be constructed by the General Government without the consent of the State or States through which they were to pass."<sup>48</sup>

Not satisfied with the decisions handed down by three presidents successively, Mr. Jefferson, Mr. Madison, and Mr. Monroe, which stated that no power was vested in Congress by the Constitution to promote internal improvements, Mr. Clay and his followers were successful in having a resolution brought before the House in March, 1818, declaring that Congress had power, under the Constitution, to make appropriations for the construction of military roads, post-roads, and canals.<sup>49</sup> On March 13, 1818, Mr. Clay spoke at length on the resolution. Mr. Clay proceeded to examine the Constitution in detail for the purpose of proving the existence of a power in Congress to construct such works of internal improvement as were contemplated in the resolution before the House. He contended that power to construct post-roads was expressly granted in the power to establish post-roads. The opposers of Internal Improvements had insisted

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<sup>47</sup>Ibid., p. 148.

<sup>48</sup>Sargent, op. cit., p. 27.

<sup>49</sup>Colton, op. cit., I, 434.

that the right to establish post-roads did not imply a right to make them, "but only to designate those already made, which were to be used in the conveyance of the mail."<sup>50</sup> Mr. Clay contended that the word establish meant the right to make post-roads. Mr. Clay continued his speech as follows:

With respect to military roads, the concession that they may be made when called for by the emergency, is admitting that the Constitution conveys the power. And we may safely appeal to the judgement of the candid and enlightened, to decide between the wisdom of these two constructions, of which one requires you to wait for the exercise of your power until the arrival of an emergency, which may not allow you to exert it, and the other, without denying you the power, if you can exercise it during the emergency, claims the right of providing beforehand against the emergency.<sup>51</sup>

President Monroe, who had taken a definite stand against the right of the Federal government to make internal improvements, was "tripped on his own ground"<sup>52</sup> by Mr. Clay. Mr. Monroe, while on a tour in the summer of 1817, had ordered a road to be cut or repaired from near Plattsburgh to the St. Lawrence, and he had set soldiers to work on it. Mr. Clay, referring to this fact, spoke as follows:

The president, then, ordered a road of considerable extent to be constructed or repaired, on his sole authority, in a time of profound peace, when no enemy threatened the country, and when, in relation to the power as to which alone that road could be useful in time of war, there exists the best understanding, and a prospect, of lasting friendship, greater than at any other period. On his sole authority the president acted, and we are already called upon by the chairman of the committee of ways and means to sanction the act by an

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<sup>50</sup>Prentice, op. cit., p. 150.

<sup>51</sup>Colton, op. cit., I, 440.

<sup>52</sup>Ibid., p. 447.

appropriation. This measure has been taken, too, without the consent of the state of New York; and what is wonderful, when we consider the magnitude of the state-rights which are said to be violated, without even a protest on the part of that state against it. On the contrary, I understand, from some of the military officers who are charged with the execution of the work, what is very extraordinary, that the people through whose quarter of the country the road passes, do not view it as a national calamity; that they would be very glad that the president would visit them often, and that he would order a road to be cut and improved, at the national expense, every time he should visit them. Other roads, in other parts of the Union, have, it seems, been likewise ordered, or their execution, at the public expense, sanctioned by the executive, without the concurrence of Congress. If the president has the power to cause these public improvements to be executed at his pleasure, whence is it derived?<sup>53</sup>

Mr. Clay continued his speech by stating there was no such exclusive executive power and that the powers of Congress were superior to those of the President. Mr. Clay asked if there were two rules of construction for the Constitution--an enlarged rule for the executive and a restricted rule for the legislature. He answered his question by stating "if the power belongs only by implication to the chief magistrate, it is placed both by implication and expressed grant in the hands of Congress."<sup>54</sup>

Mr. Clay's motion, declaring that Congress had the Constitutional power to make appropriations for the construction of military roads, post-roads, and canals, was adopted by a vote of ninety to seventy-five.<sup>55</sup> "It was on

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<sup>53</sup>Ibid., p. 448.

<sup>54</sup>Ibid., pp. 448-449.

<sup>55</sup>Ibid., p. 450.

this occasion that Mr. Clay laid deep the foundation of a universal system of Internal Improvements."<sup>56</sup> "He was the father of the System, and has ever been its most efficient upholder."<sup>57</sup>

Mr. Clay's chief interest in Internal Improvements from 1818 to 1824 was the continuation of the great Cumberland Road across the Alleghanies. In one of his speeches, Mr. Clay spoke as follows:

"We have had to beg, entreat, supplicate you, session after session, to grant the necessary appropriations to complete the Road. I myself toiled until my powers have been exhausted and prostrated, to prevail on you to make the grant."<sup>58</sup>

At a dinner given in honor of him a few years later by the mechanics of Wheeling, Mr. Clay expressed the wish that the Cumberland Road might be retained, improved, and extended by the nation. He showed the importance of the road by stating that before the road was made, he and his family had spent an entire day traveling a distance of nine miles from Uniontown to Freeman's, on the summit of Laurel Hill, but now the public stage made eighty miles in one day over that road and other mountains.<sup>59</sup>

In Mr. Sargent's book is found the following paragraph:

The country has not been wholly unmindful of Mr. Clay's

<sup>56</sup>Prentice, op. cit., p. 155.

<sup>57</sup>Sargent, op. cit., p. 27.

<sup>58</sup>Ibid.

<sup>59</sup>Ibid.

pre-eminent services in behalf of this beneficent measure. On the Cumberland Road stands a Monument of stone, surmounted by the Genius of Liberty, and bearing as an inscription the name of "HENRY CLAY."<sup>60</sup>

On January 16, 1824, Mr. Clay made his last congressional speech in relation to Internal Improvements when he addressed the House "upon a bill authorizing the President to effect certain surveys and estimates of roads and canals."<sup>61</sup>

President Monroe, who had opposed Mr. Clay on Internal Improvements and who was probably tired of being defeated on the subject, yielded a point in his opening message to the 1824-25 session of Congress when he admitted that Congress had the constitutional power to appropriate money for roads, canals, and other national conveniences, but still denied that Congress did not have the power to carry into effect the objects for which the appropriations were made.<sup>62</sup>

Those opposed to Mr. Clay's system decided to make a last effort against him in 1824. "Many of them are remembered to have declared, that, if they were now defeated, they should consider the system of Internal Improvements as definitely established by competent authority, and accord to it ever afterwards their steady and cheerful support."<sup>63</sup>

Mr. Clay's arguments in 1818 had been based on the

<sup>60</sup>Ibid.

<sup>61</sup>Prentice, op. cit., p. 155.

<sup>62</sup>Ibid.

<sup>63</sup>Ibid., p. 156.

On March 12, 1816, Mr. Lowndes of South Carolina introduced before the House a bill to regulate the duties on imports. Through the efforts of Mr. Clay, the Speaker, a higher duty was adopted for woolens. This amendment was lost in the House, but the bill, as first introduced, was passed.<sup>66</sup> Strange as it may seem, one of the ardent supporters of the tariff bill of 1816 was John C. Calhoun, who stated that protection "would make the parts [of the United States] adhere more closely.... It would form a new and powerful cement."<sup>67</sup> Maritime New England, which would reap the earliest benefits of protection, voted against the tariff bill.<sup>68</sup>

Mr. Clay had attempted to get a tariff at this time that would meet the needs of the country, but the tariff of 1816 fell short of this and disappointment and distress followed. The country was buying more than it sold and getting poorer and poorer. The distress continued until March 22, 1820, when an attempt was made to remedy the tariff of 1816. Mr. Baldwin of Pennsylvania, reported a bill from the committee of the House on manufactures.<sup>69</sup> Mr. Clay spoke with spirit and eloquence in favor of the protective duties. He stated that

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<sup>66</sup>Sargent, op. cit., p. 28.

<sup>67</sup>Samuel E. Morison and Henry Steele Commager, The Growth of the American Republic, 1763-1865 (New York: Oxford University Press, 1937), I, 335.

<sup>68</sup>Ibid.

<sup>69</sup>Sargent, op. cit., p. 28.

the political emancipation of the United States had been achieved by the War of the Revolution, and the last war had contributed greatly towards commercial freedom. "But our complete independence will only be consummated after the policy of this bill shall be recognized and adopted."<sup>70</sup>

The House remodelled the tariff of 1816, and laid such duties on foreign importations that would promote protection. The bill was defeated in the Senate. Mr. Clay had achieved a victory in the House, but he could not overcome all the obstacles to the tariff. The obstacles consisted of the general prejudice that was felt against the untried system of the tariff, lack of co-operation on the part of the President, the secret influence of British factors, and in the open opposition of nearly all the powerful capitalists who thought that the protection of manufactures would hurt them financially.<sup>71</sup>

In 1824, the United States was in a depression. The exports had decreased and imports had increased. The country was drained of its currency. Unemployment was prevalent. Wages were so low they barely supplied the necessities of life. Grain was rotting in store-houses for want of purchasers, and, if a farmer found a market, he had to sell at a loss. The cotton planters and wool growers suffered losses. Money could be obtained only at

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<sup>70</sup>Ibid.

<sup>71</sup>Prentice, op. cit., pp. 180-181.

an enormous sacrifice.<sup>72</sup> The cause of the distress and misery was misunderstood, and, therefore, the problem was hard to solve.<sup>73</sup>

In January, 1824, a tariff bill was reported by the Committee on Manufactures of the House. On March 30-31, "Mr. Clay made his great and ever memorable Speech [sic] in the House, in support of American Industry."<sup>74</sup> Mr. Clay stated that the cause of the trouble was the fact, that, "during the whole existence of our government, we had shaped our commerce, our navigation, and our home industry, in reference to a state of things in Europe, which now had no longer an existence."<sup>75</sup> As long as Europe was involved in a war she had need for the products from the United States. Mr. Clay felt that the people in the United States had fashioned their entire policy on the supposition that commerce would continue and business would be as good as it had been before the war. After the war, the American manufactures were neglected until 1816, and then were protected by a tariff that barely saved them from annihilation. Europe was now in a position to sustain herself, and, therefore, excluded our products from her markets.<sup>76</sup> Mr. Clay recommended that

<sup>72</sup>Sargent, op. cit., p. 29.

<sup>73</sup>Prentice, op. cit., p. 183.

<sup>74</sup>Sargent, op. cit., p. 29.

<sup>75</sup>Prentice, op. cit., p. 184.

<sup>76</sup>Ibid.



a genuine American policy be speedily adopted.<sup>77</sup> This American policy would include the creation of a home market for agricultural products, because, if the farmer can not sell, he can not buy. As four fifths of the population were engaged in agriculture, they had comparatively nothing that foreigners would buy. Home industries were to be encouraged by the people's buying American-made articles. The home markets for agricultural products and manufactures must be created and cherished by legislative protection against foreign policy and legislation.<sup>78</sup>

Mr. Clay stated that the tariff would not be a burden upon one section of the country for the benefit of the other. Duties would be paid voluntarily, because consumers could avoid them by not buying the foreign articles, and either buying the American-made articles or engaging themselves in the production.<sup>79</sup> The sole purpose of the tariff was to tax the foreign imports, and, thereby, promote American industry. All duty paid would go into a common treasury and be used for the common good of all.<sup>80</sup>

The tariff bill of 1824 was violently opposed by Daniel Webster who had taken his seat in the House of Representatives as a representative from Boston. Webster was a strict sectionist and a free trader. When the

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<sup>77</sup>Colton, op. cit., II, 156.

<sup>78</sup>Ibid., p. 158.

<sup>79</sup>Ibid., p. 164.

<sup>80</sup>Ibid., pp. 163-164

tariff measure of 1816 was under discussion in Congress, Webster had neither advocated nor opposed the measure. When the tariff bill of 1820 was discussed in Congress, Webster was not in Congress, but he opposed the bill and went so far as to threaten secession in a notable speech at that time. On April 1-2, Webster denounced the tariff bill of 1824 in a speech that came to be known as his "free trade speech." Mr. Webster felt that the tariff would be disastrous to the caulkers, riggers, rope makers, merchants, and importers of his New England. He stated that Mr. Clay's picture of the business was much exaggerated.<sup>81</sup> He questioned whether Congress had any right to make laws which give preference to particular manufacturers. He felt that the law, if passed, would cause people to ask the government for aid or relief instead of depending on their own skill and industry. Also the act would stir up jealousies and animosities.<sup>82</sup> Webster believed there was a fundamental difference between reasonable encouragement to existing manufacturers and the virtual prohibition of imports. He was helping the shipowners and traders guard their interest when he closed his speech by stating that the duties on iron, copper, and hemp would increase the cost of building ships.<sup>83</sup>

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<sup>81</sup> Claude M. Fuess, Daniel Webster, 1782-1830 (Boston: Little, Brown, and Company, 1930), I, 315.

<sup>82</sup> Ibid., pp. 272-273.

<sup>83</sup> Ibid., p. 315.

The opposition in the Senate was led by Robert Hayne of South Carolina who vigorously opposed protection. The South, because of the character of its population, could not engage in manufacturing, and, consequently, ought not to pay increased duties on foreign importations for the encouragement of domestic industries. Mr. Clay replied that the South could engage in manufacturing, and to some branches of manufacturing, the slave population was peculiarly adapted.<sup>84</sup> Also, Mr. Clay explained that the British manufacturers would continue their demand for raw cotton, and that the raw material for the American manufactures would come from the American planter.<sup>85</sup>

Mr. Clay took up one by one the objections of the opposition, examined them in detail, and then refuted them. The weight of Clay's arguments and the catch phrase, "American System," produced a narrow victory. On April 16, 1824, the tariff bill passed the House by a vote of 107 to 102, and by a 24 to 21 vote, it passed the Senate.<sup>86</sup> With the passage of the Survey Act of 1824 and the new tariff bill, Mr. Clay's American System was well established.

Mr. Clay retired from Congress soon after establishing his American System and did not return to it until 1831-32, when the opponents to his system had acquired the

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<sup>84</sup>Prentice, op. cit., p. 187.

<sup>85</sup>Colton, op. cit., II, 164.

<sup>86</sup>Ibid., p. 175.

majority and were bent on the destruction of the system.<sup>87</sup>

In the presidential election of 1824, Henry Clay was the candidate of the West. Late in the campaign, Andrew Jackson entered the race, and the West divided its loyalty between the two men. Other candidates in the election were John Quincy Adams of the East and William H. Crawford of the South. As no one candidate had a majority of the electoral votes, the election went to the House of Representatives. As Clay was fourth on the list of candidates, according to the electoral votes, he would not be considered as a candidate. He announced in January, 1825, that he would support Adams. On February 9, 1825, John Quincy Adams was elected President of the United States for the four-year term beginning March 4, 1825.<sup>88</sup> In Mr. Adams's diary, under the date of February 12, 1825, he recorded his offer of the office of Secretary of State to Mr. Clay.<sup>89</sup> On March 4, 1825, Mr. Clay became Secretary of State, an office he held until March 4, 1829.

It has been said that on the subject of internal improvements, President Adams proceeded to outstrip Henry

<sup>87</sup>J. L. Gihon, The Life and Speeches of Henry Clay (Philadelphia: J. L. Gihon, 1854), II, 9.

<sup>88</sup>John B. McMaster, A History of the People of the United States from the Revolution to the Civil War (New York: D. Appleton and Company, 1904), V, 75-81.

<sup>89</sup>John W. Burgess, The Middle Period 1817-1858, of The American Histories Series (New York: Charles Scribner's Sons, 1907), p. 142.

Clay.<sup>90</sup> He wanted a completely adequate system of high-ways and canals, the improvement of rivers and harbors, and the building of all necessary lighthouses.<sup>91</sup> However, Congress paid very little attention to Adams's national program for internal improvements.<sup>92</sup> It did pass a few bills for particular projects here and there without a definite plan or system. It voted funds to keep the Cumberland Road in repair and to build it westward from Wheeling to Zanesville, Ohio.<sup>93</sup> Adams's friends in Congress did not venture to bring forward any item of his national program.<sup>94</sup>

As Adams looked back upon his own administration from the perspective of 1837, he wrote the following:

When I came to the Presidency the principal of internal improvement was swelling the tide of public prosperity, till the Sable Genius of the South. [Calhoun] saw the signs of his own inevitable downfall in the North, and fell to cursing the tariff and internal improvement and raised the standard of Free Trade, Nullification and State Rights. I fell, and with me fell, I fear never to rise again, certainly never to rise again in my day, the system of internal improvement by National means and National Energies.<sup>95</sup>

On the subject of the protective tariff, Adams

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<sup>90</sup>Samuel F. Bemis, John Quincy Adams and the Union (New York: Alfred A. Knopf, 1956), p. 62.

<sup>91</sup>Ibid., p. 8.

<sup>92</sup>Ibid.

<sup>93</sup>Ibid.

<sup>94</sup>Ibid.

<sup>95</sup>Ibid., p. 150.

placed himself on record as favoring a cautious protective tariff.<sup>96</sup> Adams's own New England had been opposed to protection; but the rapidly multiplying small factories, especially in Massachusetts and Connecticut, caused the voters to become interested in the tariff for protection. Friends of Adams in the manufacturing state of Pennsylvania wanted to be assured that Adams favored a protective tariff for domestic manufactures; however, the people in the South, especially South Carolina and Alabama, favored a lower tariff that would help the farmers.

The beginning of the end of Mr. Clay's American System began on May, 1830, when President Andrew Jackson vetoed a bill for subscription to a stock company that was to construct a road from Maysville, Kentucky, on the Ohio river, to Lexington, Kentucky.

The American System contributed to the practice of log-rolling among the members of Congress and self-interest among the people favoring public benefits. This self-interest in internal improvements for the public good is shown by the Maysville road that the people in Kentucky wanted as an outlet to the Ohio river. A company was formed to construct the turnpike. In order to get the national government to subscribe to the undertaking, it was proposed to make the road a link in a great "national" road which would branch southward in Ohio from the Cumberland national road, and, passing through Kentucky and the

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<sup>96</sup>Ibid., p. 26.

other southern states, eventually reach New Orleans.<sup>97</sup> It seemed as if fortune favored the road, because Henry Clay, the "father of Internal Improvements" lived near Lexington and President Andrew Jackson lived near Nashville, Tennessee, where the proposed road would be built. The opposition in Congress attacked the Maysville Road Bill by showing that at the rate of spending \$50,000 to build a road to please three counties in Kentucky, that it would take \$72,000,000 to appease the other eighteen states.<sup>98</sup> The opposition attacked the growing patronage of contractors and wire-pullers and stated that forty-two projects for internal improvements were now pending in Congress.<sup>99</sup> The opposition attacked the taking of money "from the pockets of the people of the nation by indirect taxation to be squandered in making state and neighborhood roads from the Ohio river to Mr. Clay's farm at Lexington, merely that the credit of the project may be given to Mr. Clay."<sup>100</sup> The opposition was not successful in defeating the bill, and it passed Congress and was sent to the President. Although President Jackson had approved appropriations for the Cumberland road and rivers, harbors, and canals that were as local, he vetoed the Maysville Road Bill.<sup>101</sup> Regardless of Jackson's other

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<sup>97</sup>Sparks, op. cit., p. 272.

<sup>98</sup>Ibid., p. 273.

<sup>99</sup>Ibid., 274.

<sup>100</sup>Ibid.

<sup>101</sup>Ibid.

motives, such as an opportunity to hit Clay's pet-project of improving Kentucky's transportation, Jackson vetoed the bill for much the same reason that Madison had vetoed the Bonus Bill of 1817: the Constitution did not grant the federal government the right to spend the public money on local transportation. Jackson further stated the need for government economy and the payment of the national debt. Those who knew Jackson knew that he would not change his attitude toward new projects on internal improvements. Also his influence on his successor, Martin Van Buren, was so strong that no hope was seen for the future bills on internal improvements during the administration of Van Buren. The internal improvement programs were transferred to the states. Later, the Panic of 1837 caused many ardent advocates of internal expansion to lose their enthusiasm for the American System.<sup>102</sup>

Another effect of Jackson's veto of the Maysville Road Bill was to make a public hero of Mr. Clay and make him an opponent of Jackson in the election of 1832. "'By the injudicious exercise of the veto power,' said one newspaper, 'Jackson has lost all chances of a second term. The cry is -- NOW FOR CLAY!'"<sup>103</sup> The veto made Jackson unpopular in districts hoping to share in the profits of such bills. "It was reported at Maysville when the President

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<sup>102</sup>Glyndon G. Van Deusen, The Life of Henry Clay (Boston: Little, Brown and Company, 1937). p. 238.

<sup>103</sup>Sparks, op. cit., p. 274.



passed down the river on his way home after the adjournment of Congress 'not a single bow' was offered to him. 'As the boat rounded off from shore, the General from the deck bowed to the citizens--but not a HAT was moved.'"<sup>104</sup>

In the autumn of 1931, Mr. Clay was elected to the United States Senate. "Clay was suddenly confronted by three Gorgons at once--a coming surplus, a President that vetoed internal improvements, and an ambitious Calhoun resolved upon using the surplus either as a stepping-stone to the Presidency or a wedge with which to split the Union."<sup>105</sup> Mr. Clay's system of Protection was threatened with a complete overthrow by the discontented South.<sup>106</sup> The time to have checked the surplus was in 1828 when the national debt was within seven years of being paid off.<sup>107</sup> But at that time Mr. Clay, who was Secretary of State, may not have anticipated a surplus, as he never mentioned it in any of his letters or speeches.<sup>108</sup> So instead of checking the tariff and surplus, Congress passed the Tariff Act of 1828, called by its enemies the "Tariff of Abominations" because of the high rates it imposed. Now, in the 1831-32 session of Congress, Mr. Clay wanted to keep the protective

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<sup>104</sup>Sparks, op. cit., pp. 274-275, citing the Louisville Advertiser, July 9, 1830.

<sup>105</sup>Parton, op. cit., p. 28.

<sup>106</sup>Sargent, op. cit., p. 47.

<sup>107</sup>Parton, loc. cit.

<sup>108</sup>Parton, loc. cit.

duties intact and lower only those duties that did not protect American interest. "To preserve and strengthen the American System, he 'would defy the South, the President, and the devil.'"<sup>109</sup> Mr. Clay proposed a tariff that would reduce the surplus by three million dollars by reducing the duties on noncompetitive goods.<sup>110</sup> However, it was impossible to save the protective tariff and lower the surplus because of the increase in imports and the money received from the sale of public land.<sup>111</sup> Mr. Clay's tariff bill had been attacked, debated, and laid on the table when the tariff bill sponsored by Mr. Adams' House Committee on Manufactures was introduced in the Senate. Not approving the bill, Mr. Clay attempted to get amendments to it and increase many of its duties. Not being successful in this, Mr. Clay finally accepted the bill because it was still protective. The bill was signed by President Jackson on July 14, 1832.<sup>112</sup>

Although the Tariff Bill of 1832 was somewhat lower than the Tariff Act of 1828, Calhoun and South Carolina refused to accept it. In November, 1832, South Carolina adopted the Ordinance of Nullification and stated that if federal authorities attempted to enforce the tariff law

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<sup>109</sup>Van Deusen, op. cit., p. 250.

<sup>110</sup>Parton, op. cit., p. 43.

<sup>111</sup>Ibid.

<sup>112</sup>Van Deusen, op. cit., p. 252.

after February 1, 1833, South Carolina would secede from the Union. Under Henry Clay's leadership, Congress adopted the compromise measure, the Tariff Act of 1833, which marked the beginning of the end of the second phase of Mr. Clay's American System--Protection. The new tariff bill provided that beginning January 1, 1834, all duties in the tariff of 1832 that were over twenty per cent should be gradually reduced at two-year intervals until 1840. Then two sharp reductions were to take place, and by July 1, 1842, the duties were to be at a uniform rate of twenty per cent, the level of the 1816 tariff. It was thought that this compromise would give the manufactures some protection and preserve them, as well as giving them a ten-year period to adjust to the lack of a high tariff protection. Mr. Clay said that the bill would restore harmony, prevent the danger of a civil war with other southern states coming to the aid of South Carolina, separate the tariff from politics, and could be repealed any time the country wanted to do it.<sup>113</sup>

The people were very grateful and appreciative of the efforts of Mr. Clay in their behalf. "His journeys to and from Washington at the opening and closing of Congress were continued ovations."<sup>114</sup> Stage lines vied with each other for the honor of carrying the mill-boy of the Slashes. "If he chose the Old Line or the Oyster Line on one trip, he must

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<sup>113</sup>Van Deusen, op. cit., p. 268.

<sup>114</sup>Sparks, op. cit., p. 275.

promise to patronize the Good Intent the next time."<sup>115</sup>

Not only the stage lines, but also the drivers of the stages and the innkeepers felt honored to serve Mr. Clay as he journeyed to and from Washington, D. C.

The drivers of the Pathfinder, the Republic, and the Protection contested the drivers of the Erin go Bragh and the Central America for the distinguished passenger. The landlord of the Mount Vernon, the Pancake, the White Goose and Golden Swan, or the Cross Keys stood upon his steps to welcome the father of the "American System."<sup>116</sup>

Mr. George Prentice, Mr. Epes Sargent, and Mr. Calvin Colton, biographers of Henry Clay, define his "American System" as consisting of internal improvements and protection of American manufactures. Mr. Colton stated the following:

The measures of public policy chiefly embraced in the American System . . . are internal improvements and the protective policy. There are, undoubtedly, various ramifications of these two great doctrines. There are collateral measures, and measures of affinity, having more or less of an intimate connexion. There are numerous measures of result, emanating from this system. But internal improvements, and protection of American interest, labor, industry, and arts, are commonly understood to be the LEADING measures which constitute the AMERICAN SYSTEM.<sup>117</sup>

Briefly, Mr. Clay's "American System" was a planned national economy to be controlled by the federal government. Money from the tariff would be generously spent for a network of roads and canals and the improvements of rivers. These internal improvements would make it easier for the farmers of the West to take their food products to the

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<sup>115</sup>Ibid., p. 276.

<sup>116</sup>Ibid.

<sup>117</sup>Colton, op. cit., I, 428.

industrial centers of the North and to the cotton and tobacco plantations of the South. The planters of the South could ship their cotton to the mills in the North. The high tariff would protect both the domestic manufactures and agriculture. The "American System," as set forth by Mr. Clay, would bind all sections of the country together.

In 1831, Mr. Prentice wrote the following tribute to Mr. Henry Clay:

Probably the name of Henry Clay is hardly ever mentioned at the present period, without suggesting, by an irresistible association, the American system for the protection of home industry--a system, into which like that of Internal Improvement, he breathed the breath of life, and which has lived, and moved, and had its being, in his influence. By his exertions for the promotions of this system, he has established a new era in the political economy of our country.<sup>118</sup>

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<sup>118</sup>Prentice, op. cit., p. 176.

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