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THE RECEPTION OF THE ECONOMIC POLICIES
OF SIR ROBERT PEEL ON TYNESIDE
(NORTH-EAST OF ENGLAND) c.1841-1846

STEPHEN KING

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M.A. THESIS

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TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	i.
Abbreviations	ii.
Abstract	iii.
Preface	v.
CHAPTER 1 - The Economic and Political Setting: Selected Aspects of the Economy of the North-East.	1
CHAPTER 2 - Peel's Economic Policy: Aims and Methods.	17
CHAPTER 3 - Peel's Budget of 1842: Impact and Reception on Tyneside.	36
CHAPTER 4 - Reaction to Peel's Budget of 1845.	62
CHAPTER 5 - The Corn Law Repeal Crisis of 1846.	80
CHAPTER 6 - The Financial and Commercial Crisis of 1847: The Bank Charter Act of 1844 Revisited.	119
CHAPTER 7 - The General Election of 1847 on Tyneside: Peel's Policies in Perspective.	144
CONCLUSION.	162
BIBLIOGRAPHY.	165

ABBREVIATIONS

Journal

Newcastle Journal

Chronicle

Newcastle Chronicle

U.C.C.T.

United Committee of the Coal Trade

Abstract

The following thesis examines the reception of the economic policies of Sir Robert Peel in and around Tyneside between 1841 and 1846. The aim of the study is to assess local reaction in a major industrial area to the economic measures of a national government and to assess how this equates with received views and those of contemporary commentators. Selected aspects of the economy of the north-east are examined in order to establish the regional economic and political background to the study and the aims and methods of Peel's economic strategy are briefly outlined. The core of the thesis follows the reaction within the press on Tyneside to Peel's economic measures - the budgets of 1842 and 1845, the Bank Charter Act of 1844 and the repeal of the Corn Laws (1846). An attempt is also made to continue the study into 1847, a year when Peel's policies were again the subject of public debate during major financial crises and a general election. Supplementary sources - contemporary memoirs, the Times, the records of the meetings of various interest groups (coal, shipping, farmers and landowners), parliamentary and election statements - help to augment the public reaction as portrayed in the press. The basic conclusion reached is that press reaction on Tyneside was above all parochial for editors saw the measures in north-east terms and were less concerned about the national impact. This press reaction was also conditioned significantly by the political stance of

the paper. North-eastern M.P's. reacted in a broadly similar fashion to the press representing the local concerns of their constituents although responding more to their political ties.

Preface

"Among the mercantile manufacturing and professional classes of the north... the reputation he had made with the corn law and the budget of 1842 had been crowned by the repeal of the corn laws".¹

So writes Norman Gash when describing the reception of Peel's economic policies in the north during the administration of 1841-1846. Professor Gash tells us elsewhere that Peel's main desire was to "reunite the country"² and that his policies were neither "sectional nor partisan"³ and that he set out to close the class divisions which existed in the country. It is the aim of this thesis to examine the reception of the economic policies of the conservative administration in the North East of England, and the extent to which they are compatible with the views expressed by Professor Gash; in other words, did the North East respond so enthusiastically to Peel's economic package as recent studies suggest?

The North East was a major economic region with well-established industries along the Tyne and Wear by the middle of the 19th century.⁴ Commerce with the Baltic, Western Europe and North America was brisk and Peel's tariff proposals would of course have major implications for those interests connected with shipping. The first half of the 19th Century saw a vast expansion in the coal industry and the fiscal potential of its export was readily appreciated by the Prime Minister. In spite of the rapidly developing industrial base (and to some extent because of it), the aristocracy retained much of

their traditional power which is reflected in the reaction of the region to the economic policies of the national government.

Much of the research which follows is based upon an examination and study of the Tyneside press between 1840 and 1847 in an attempt to assess the reaction of the region to Peel's economic legislation. The full political spectrum is represented by four papers - The Journal which was solidly Tory; the Newcastle Chronicle which was Liberal and the Tyne Mercury and Gateshead Observer⁵ which represented Radical Opinion. These obviously had to represent, reflect the views of, and satisfy those sections of the public which read them regularly. Constituency opinion should be revealed to a certain extent in the statements^e of M.P's. who would have to attempt to satisfy their constituents' wishes and interests. Contemporary opinion outside the region is provided by an examination of the Times and the diaries of political commentators close to the political arena in London. The records of the United Committee of the Coal Trade and press coverage of the meetings of the Newcastle City Council, Chamber of Commerce, the Agricultural Protection Societies of Northumberland and Durham and the Shipowners of Tyneside provide some insight into the reaction of separate interests groups in the region.

I would like to thank the staff of the Central Library Newcastle, the Newcastle University Library and the Gateshead Public Library for their co-operation and friendly assistance and also all those who have taken time and trouble on my behalf.

Preface

1. N. Gash, Aristocracy and People: Britain 1815-1865 (London, 1979), p.248.
2. N. Gash, Sir Robert Peel (London, 1972), p.713.
3. Ibid., p.714.
4. See Chapter One.
5. See N. Milne, 'The Tyne Mercury and Parliamentary Reform' Northern History, Vol. XIV (1978), pp. 227-242.

CHAPTER 1

The Economic and Political Setting:
Selected Aspects of the Economy of the
North-East

In 1800 Northumberland and Durham were basically rural counties in which the coal industry intruded along the margins of the rivers Tyne and Wear and to some extent along the coast. There were other industries, but they were of limited scale; saltworks along the Tyne, glass and pottery, engineering at Hawks, Crawsley and Crowleys. By 1850, it is generally agreed that all this had changed. More than half of the population were living in urban communities.¹ Agriculture was the major activity in 1750: by 1851 the relative importance of agriculture and coalmining had changed; the census of that year reveals that 41,000 were employed in coalmining and 35,000 in farming. The vast expansion in the exploitation of the Durham Coalfield helps to explain this change. In fact, one authority has concluded that:

"By 1850, what had previously been a society of small, scattered largely agricultural communities was already advanced in the transformation into an industrialised and urban society".²

Certain qualifications should be made to this picture. Firstly, urban growth in the North East was largely ribbon development along the rivers rather than nucleated conurbations and, consequently, these areas were not detached from their rural surroundings, unlike such areas as Manchester and Birmingham. Secondly, the 1851 census shows that farming was still the largest occupational group in Northumberland. Lastly, the decline of older industries (such as lead mining), and the attraction of industrial wages, led to other areas of population decline, especially parts of Northumberland,



the western belt of the Tweed and Tees Valleys, and in the old lead mining areas.

The growth of Bedlingtonshire in South East Northumberland may, perhaps, be taken as an example of the impact of industrial development, especially coalmining, within the region as a whole. In 1801, the population was only 1422. By 1841, this had swollen to 3,155 and within another decade the figure had reached 5,000.³ Two major factors may account for this massive growth. Firstly, the period 1819 to 1853 saw dramatic expansion and development of the Bedlington Ironworks under the successful entrepreneur Michael Longridge. By 1850, the works was employing over 2,000⁴ workers and had grown from a small scale operation producing nails and anchors to an impressive complex with a European reputation producing rails, rolling stock, and locomotives.⁵ Contemporary views of the works reveal that this development nevertheless took place within a basically rural setting.⁶ The second major factor was quite clearly the increasing exploitation of the coal reserves of the Shire. In 1838 the Bedlington Coal Company was formed with Longridge as one of the partners. Their first pit was sunk three years later at Sleekburn and coal was being shipped out from the river Blyth via the S.S. Bedlington.⁷ The major development of coal mining came in the 1850's. The construction of a railway over the Blyth in 1850 enabled the development of coal seams north of the river to take place and the Bedlington Coal Company was able to open three new pits in the area and transport the coal directly

to the Tyne for shipment to London and Europe. The census for 1861 illustrates in more detail the demographic impact of coalmining upon this area (see below p.3).

The increase of population within Bedlingtonshire reflects the dramatic increase throughout the region in the first half of the 19th century. In 1801 the population of County Durham was 168,000; that of Northumberland 149,000. This accounted for 3.5% of the total population of England and Wales. By 1851 the population of the region had more than doubled - Northumberland contained 304,000, Durham 391,000, which represented 3.80% of the national total, and an overall annual growth rate within the two counties of 1.4% for the period 1801-1830 compared with a growth rate of 0.4% for the period 1781-1800.⁸ Although migration does play a part, in general, the two counties seem to have met their own labour demands from the natural increase of generations born within the region. Long distance migration is a less significant feature of growth than internal migration across county borders from one area of the north east to another, from older to newly established pits, from countryside to urban areas and especially from west to east Durham. While the 1851 census of County Durham revealed an apparently high percentage of migrant labour - 31% of the county's population were born outside the county - the majority of these migrants came from short distance migration from neighbouring counties. Admittedly Ireland (perhaps because of the presence of Lord Londonderry as

a major, as well as Irish, landowner) provided 18,000 of the county's total population of 391,000, but Scotland only 2,800, and the southern counties of England including London only 3,000. By contrast, Northumberland and Yorkshire each contributed 40,000 (perhaps attracted by the opening of the East Durham coalfield), with Cumberland and Westmoreland a further 7,500.⁹

Irish and Scottish workers played their part in the industrial development of the region especially during periods of adversity within their homelands. During periods of food scarcity and harvest time there was a seasonal influx. The pull of the industrial development of the region and the impact of the famine led to more permanent settlement. The Irish community of Newcastle numbered 2,800 in 1841 (5.7% of Newcastle's population) and this had grown to 7,100 in 1851 (7.9% of the City's population).¹⁰ In Bedlington, the 1861 census shows a significant number of Irish workers listed as miners and this may well reflect the expansion of the activities of the Bedlington Coal Company in the North of the Shire in the 1850's. A small Irish enclave was developing in the High Street in Bedlington. One estimate of the total Irish population for Newcastle and Co. Durham in 1841 is 9,000 and this may have grown to 30,000 by 1851.¹¹ Limited transport facilities and restricted press circulation would obviously hinder recruitment to the growth industries from outside the region. Irish 'blackleg' labour was imported by Lord Londonderry from

his Irish estates to work his pits during the strike of 1844 - but most of these had left by 1845 having helped to keep Londonderry's pits open.¹² The impact of Cornish blackleg labour on the region's industrial development was ever more limited. Of 32 brought to Radcliffe Colliery in 1844, all but four had run away within the month!¹³

How did this growth in population affect distribution? Industrial developments obviously play a major part in the concentration of population. Coal mining was the dominant factor controlling population distribution in Co. Durham. The greater part of the Great Northern Coalfield lay within Durham and the development of railways, technological advances and the consequent penetration of the magnesian limestone belt led to the opening up of new coalfields and the growth of new communities in areas previously unmined in Durham i.e. the upper Wear and Tees Valleys. The 'spin-off' from the coal industry helped to develop established industrial areas in Tyneside. By the early 1850's, Jarrow had 3,000 employed in shipbuilding, Stephenson's Engineering Works employed 1,000 and Hawthorn's 700. This industrial expansion explains the rapid growth of Tyneside. In 1801, the combined total of North and South Tyneside was 93,000: by 1851 this had swollen to 222,000.¹⁴

In spite of this dramatic shift in the proportion of those employed in coalmining as opposed to farming (see p.1. above), agriculture was still the dominant

activity for those north of the Tyne even in 1850. Northumberland had in fact acquired a reputation as an area of improved farming. This reputation rested upon the work of a few well known innovators - the Culley Brothers and John Grey of Dilston - and improved farming was to be found in a few selected areas - North Northumberland and the Tyne Valley. Much of the county, especially in the west, however, was poorly farmed and there was little evidence of extensive drainage schemes or improved farming practices. Even in the more productive eastern areas many farmers persevered with traditional techniques. Several factors may help to explain why this county had gained this reputation. The granting of long leases in those areas where improvements were most visible may have encouraged tenants to use experimental techniques secure in the knowledge that they would reap the profits of their investment in time and money. Again, technical innovation was desirable in an area of scattered population and high agricultural wages. Lastly, land was still the basis of social influence and a successful farmer and land owner would receive much contemporary praise and financial reward from agricultural innovation.¹⁵ Successful families recognised the political and social prestige provided by land ownership and, therefore, attempted to establish themselves as important landowners. The Ridley family, which for many generations had prospered as successful Newcastle merchants, acquired much land in

South East Northumberland in the late 18th century but continued to develop the family fortunes through a number of activities - banking, coalmining, harbour developments in Blyth and the successful agricultural exploitation of their estates. The dividing line between industry and farming was in fact very thin. Contacts between the two were very strong. Skills were transferable - the blacksmith was easily employed in the iron works. Henry Morton the land agent for the Lambton family from the 1820's till 1870, came to develop the agricultural potential of his master's estates, but soon acquired the necessary knowledge to exploit the mineral resources below them.¹⁶

'King Coal' obviously played the leading role in the rapid economic development of the region. It became the premier industrial activity of the region for there was a large market in London, a small export trade and steady demand from local industries (salt, glass, iron smelting etc). The stimulus to demand led to technical improvements which allowed the sinking of deeper pits and the transport of coal in large quantities especially by rail and wagon. The opening of the south and east Durham coalfields compensated for the exhaustion of the high main seam in Tyneside in the 1830's. Capital investment was now a major problem for the financial return from a new sinking might take many years. Investment on such a scale was often beyond the resources of the local landowner however exalted his position. Therefore, many landowners preferred to lease coal royalties rather than engage in large scale

operations. Although, the Marquesses of Londonderry persisted in working their own undertakings into the twentieth century, the county's other major private coalowner, Lord Durham, went over to leasehold management,¹⁷ while the Church in Durham, probably the largest owner of coal in the north, had long preferred to lease its properties for exploitation by others.¹⁸ Such developments explain the dramatic increase in production from the Great Northern Coalfield within the first half of the 19th century: 4.5m tons in 1800 to 10.5m tons in 1850. The numbers employed increased by some threefold - 12,000 in 1800 to 40,000 in 1850. The number of pits more than doubled in the period 1830-1844. Shipments of coal from the Tyne increased significantly - 2.2m tons in 1831 to 4m tons in the 1850's. Coal exports also showed a remarkable increase: 161,000 tons were exported in 1831 and this figure rose to 1m tons by 1845.¹⁹

The massive increase in output and shipment brought with it problems as well as profits for the landowners especially those who owned the leading concerns. In order to prevent a glut and the consequent collapse of prices in the London Market, an attempt was made by the colliery owners of the Tyne and Wear to regulate production by the imposition of quotas for each area and individual collieries. This 'Regulation of the Vend' operated with varying degrees of success during the first half of the 19th century. As the number of collieries increased in the 1830's and the 1840's it proved increasingly difficult

for the three major concerns on the Wear - Hetton, Lambton, Londonderry - to maintain their share of the 'Vend'. In fact, the history of the association was punctuated by periods of open trade amongst the members as individuals determined to place self interest before the common bond.²⁰ The mid-1840's witnessed such a collapse amidst other problems for the coal industry as a whole. Peel's decision to restore the export duty on coal in 1842 intensified competition on the home market. The growth of the railway network threatened the North East monopoly of the London Market. The consequent slump with sales of coal down by 65,000 tons over the year 1842-43 determined employers to resist the demands of the miners' association to restore wages and ushered in the bitter strike of 1844 in Northumberland and Durham.²¹ Lord Londonderry perceived the inability of the owners to operate the Regulation successfully during this period of change and took advantage of the opportunities provided by the strike to satisfy demand as it rose in the capital.²² In spite of these problems, the coal industry proved to be the leading sector in the industrial transformation of the region and growth in this area necessitated growth and expansion in other areas - shipping, engineering, improved port facilities, iron working and a sophisticated banking and commercial structure to facilitate this industrial boom.

Shipbuilding and shipping constituted the second area of industrial activity in the region. A feature of the Tyne yards was their limited size. By 1848 there

were only 36 yards on the Tyne. The real centre of shipbuilding in the country was Sunderland and this one town was producing on average 50,000 tons a year in the 1850's. The Wear offered far better port facilities than the Tyne. Sunderland had appointed Improvement Commissioners in 1717 and these officials had been most active in harbour improvement. By comparison, the City of Newcastle controlled the whole of the Tyne and, in spite of protests from the growing towns of Gateshead, Tynemouth, North and South Shields, little was done until the 1850's when control of the port passed to the Tyne Improvement Commission. Significant improvements to the harbour in Blyth were only made in the 1850's. The prospectus for the Blyth Harbour Docks and Railway Company issued in 1853 illustrates the potential of coal shipments from such a harbour and the commercial disaster if railways tapped the newly opened pits in the north of Bedlingtonshire.²³ The Ridley's had uncharacteristically neglected the potential of Blyth Port in the second quarter of the 19th century. All that was to change in the second half of the century: harbour improvements, dock construction, channel excavation and a branch line from the Blyth and Tyne Railway would help to lay the foundation of Blyth's industrial development through to the next century. The growth of the coal trade to London and abroad was obviously a major incentive to shipbuilding. Before the various improvements made to the rivers, Keelmen were in great demand to take the coal to colliers waiting outside the river mouths.

Increasing competition from railway development and maritime improvements brought much hardship for those workers. Nevertheless their trade continued well into the second half of the 19th century and there is evidence that some new collieries preferred to use Keelmen rather than bear the escalating costs of railway construction and transport.²⁴ Sea-borne coal accounted for no less than 86% of the total volume of Tyneside trade in 1859. In return, ships brought other materials in the form of ballast-clay from Devon and Cornwall, salt from Cheshire, chalk and limestone from the Thames and French ports. These materials assisted the growth of other industries, in particular the chemical industry. Alkalis were shipped from the Tyne and such shipments were second only to coal in the mid 19th century.²⁵

Politically the north east represented a broad division between Northumberland, which remained something of a Tory stronghold and County Durham which gave solid support to the Whigs. In fact, one authority has gone further and labelled the north east as the "very citadel of liberalism".²⁶ Statistics lend some weight to this description. Of the 13 seats in Durham and Tyneside after 1832 the 'liberals' never held less than nine throughout the century and Durham resisted the Tory revival of 1841. No district outside London remained so loyal to the Liberals during a period of changes to the electorate and the politically influential elites. The

new seats that appeared in 1832, reflected the growing population and new interests. There were two additional members for County Durham,²⁷ two new borough M.P.'s. for Sunderland and representation was now granted to Gateshead, Tynemouth and South Shields. Tory hopes were pinned on Newcastle (where there were strong traditional Tory influences - corporation, coal, shipping) and Durham city (where the constituency boundary favoured Londonderry's interest although excluding his freemen who worked at Seaham Harbour). There was also a slim chance of gaining one seat in North Durham. Whig hopes rested on the newly enfranchised towns along the Tyne which collectively objected to Newcastle's control of the port. Non-conformity was strong in these growing Tyneside areas as it was in Sunderland. The Lambton influence in Durham provided a solid foundation for Whig success. In 1832 the Whigs won all seats in Durham and all but one on Tyneside. Tory expectations grew as reform fever died down and as early as 1833 gained an early success in Sunderland.

Perhaps two significant features of the political world of the north east in the 1840's are worth studying in some depth. Firstly, aristocratic influence was ever present in society in the first half of the 19th century and it was not undermined by the new economic forces described above. In fact, the aristocracy retained its political influence throughout the 19th century, owing to their willingness to exploit the new forms of wealth

on their estates which supplemented the income from agricultural developments. Many family fortunes depended on the collieries especially that of the Lambton's. One authority has described the Lambton estate as "primarily a mining property"²⁸ and even the Times could describe County Durham as "little more than one huge colliery" from which

"the cities, the villages, the nobility, the clergy... and, we must add the farmers in the County of Durham all derive their wealth or their competence from coal".²⁹

The landed gentlemen of Durham and Northumberland in the 1830's and 1840's took particular interest in the working of their minerals for coal profits allowed landowners to continue to exert enormous power. Entry to their ranks was not restricted for they were more than willing to admit newcomers as the history of the Ridley family in South East Northumberland proves (See above p.6).

Secondly, it would seem that the North East was less moved and aroused by the great questions of the day. The Corn Laws, Factory Reform, the condition of the nation, none of these created within the region as much interest as seen elsewhere in the 1830's and 1840's.³⁰ The movement for agricultural protection seems to have met with limited response. Geographical isolation, the peculiar economic preoccupations of the region and the continuing influence of the aristocracy may help to explain resistance in the north east to major political movements. The debate over the Navigation Laws produced more excitement and the north east reacted most vehemently

to Peel's reimposition of the export duty on coal, in 1842. Where such a vital interest was at stake, regional response was united.³¹ Chartism received much support throughout the villages in the north-east and there was much sympathy for those who advocated 'physical force'. Geordies also invested enthusiastically in the 'land scheme' in the 1840's: but interest in the militant aspects of the movement waned after 1839 and the link with the more violent members proved embarrassing to the miners in the struggle of 1844. Nevertheless, the links between the two remained strong and there developed a mutual respect for their distinctive aims.³² Radical politics in general became the medium for the growing political aspirations of the 'shopocracy'. Embittered by the disappointment of the 1832 reform bill and disillusioned by the lack of initiative shown by the reformed corporations of Newcastle and Gateshead after 1835, this group began to play a leading role in the management of radical forces in the region.³³

Chapter 1: The Economic and Political Setting:
Selected Aspects of the Economy of the North East.

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2. N. McCord, North East England: The Regions Development 1760-1960. (London, 1979), p.25.
3. S.B. Martin, Sleekburn: The Station (Newcastle, 1986).
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5. Ibid, p.22.
6. Ibid, pp.24-25.
7. S.B. Martin, Sleekburn, p.1.
8. D. Rowe, op.cit., pp.1-3.
9. Ibid. c.f. N. McCord North East England op.cit., pp.39-40.
10. T.P. McDermott, 'Irish Workers on Tyneside in the 19th Century', Essays in Tyneside Labour History, ed. N. McCord (Newcastle, 1977), pp.154-178.
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13. R. Challinor and B. Ripley, The Miners Association: A Trade Union in the Age of the Chartists (London, 1968), p.132.
14. D. Rowe, op.cit., pp.1-3.
15. N. McCord, op.cit., pp.27-28.
16. D. Spring, 'The Earls of Durham and the Great Northern Coalfield: 1830-1880', Canadian Historical Review, Vol. XXXIII (1952), pp.244-253.
17. N. McCord, op.cit., p.40.

18. D. Spring, op.cit., pp.244-253.
19. N. McCord, op.cit., p.36.
20. C.E. Hiskey, 'The Third Marquess of Londonderry and the Regulation of the Coal Trade: The Case Reopened', Durham University Journal, new series, Vol. XLIV (June 1983), pp.1-9.
21. Challinor and Ripley, op.cit., p.126.
22. D. Large, op.cit., p.5.
23. C.E. Baldwin, The History and Development of the Port of Blyth. (Newcastle, 1929), pp.64-66.
24. D. Rowe, 'Decline of the Tyneside Keelmen in the 19th Century', Northern History, Vol. IV (1979), pp.111-131.
25. D. Rowe, 'The Economy of the North East in the 19th Century', Northern History, Vol. III (1971), pp. 117-147.
26. T.J. Nossiter, Influence, opinion and Political Idioms in Reformed England: Case Studies from the North East 1832-1874 (Hassocks, 1975), p.21.
27. Durham was divided into two constituencies: a predominantly industrial Northern Division with two members and a largely agricultural Southern Division also with two members. Before 1832, 2 M.P's. represented the county as a whole. Hansard, 3rd Series, Vol. XII, p.13 and 9 (23rd May 1832).
28. D. Spring, op.cit., p.241.
29. Quoted by D. Spring, op.cit., p.239 quoting The Times, October, 1850.
30. T.J. Nossiter, op.cit., p.34.
31. See below Chapter 3.
32. See Challinor and Ripley, op.cit., pp.126-143.
33. T.J. Nossiter, op.cit., pp.144-161.

CHAPTER 2

Peel's Economic Policy:

Aims and Methods

The final three years of the Melbourne administration saw the Whigs with increasing financial problems. Politically committed to the practice of 'cheap government', they had reduced direct taxation as far as possible and had come to rely increasingly on indirect taxation. Therefore, they left themselves with no room for financial manoeuvring especially when the economy slid into a depression in the late 1830's. Revenue fell and by 1837 there was no surplus. The following three years saw deficits. Baring the Whig Chancellor of the Exchequer proposed a 5% increase in Customs and Excise and a 10% increase in Assessed Taxes. This was the first budget for many years to make general increases in import duties. However, the times were not favourable and a deficit remained. Baring now decided to adopt the policy recommended by the recent Committee on Import Duties and reduced duties in the hope that increased consumption would lead to higher returns. In the spring of 1841 he proposed a reduction in the duties for timber and sugar.¹ Prolonged debates over sugar which hinged on the inconsistency of Whig fiscal strategy led to the defeat of the government and the consequent dissolution. In an election that was dominated by the national issue of free trade Peel was returned with an undisputed majority although Lord John Russell had hoped to force Peel into a protectionist corner by adding corn to Baring's list of reductions.²

Peel's most pressing economic problem when he became Prime Minister in 1841 was thus the budgetary deficit. Revenue was falling and there would be an accumulated

deficit of some £7.7m over the five years ending in April 1842 (the deficit for the single year 1841-42 would amount to £2.5m alone).³ Peel's radical solution to this financial problem was a re-introduction of the income tax for a period of three years. This would raise an estimated four to five million pounds and would enable the government to reduce the duty on important consumable items and thus "diminish the pressure of taxation on the great articles of consumption".⁴ Sugar and corn were obviously priority items under this heading.⁵ With regard to the former, Peel realised that two obstacles delayed any immediate alteration. Extensive negotiations would be needed with the Brazilian government concerning the 'conditions of slavery' before any treaty could be agreed. Secondly, any remission of duty on British colonial sugar unaccompanied by any corresponding relaxation with regard to foreign sugar would yield no benefit to the labouring classes for it "might merely confirm a monopoly and give the advantage of lower duty to the producer and not to the consumer".⁶ Although Peel was prepared to accept lower levels of protection than those suggested by Lord Ripon's programme of tariff reform,⁷ he still considered protection to domestic corn production vital. Peel was determined at this stage to resist vigorous lobbying from agriculturalists or leaguers and keep in sight the basic interests of the country:

"The principle on which we ought to proceed in reviewing the Corn Laws is, to disregard the consideration of future clamour, or extravagant expectations on either side, and to bear in mind as far as we can the permanent and comprehensive interests of the country; among which encouragement to domestic production occupies a prominent place".⁸

Peel was not happy with the operation of the existing sliding scale and saw the inherent weakness of the system which allowed extensive abuse by merchants and corn factors and sudden and extensive variations in the amount of duty on foreign corn. He hoped to achieve several benefits by a restructured scale: "just protection for agriculture"; "greater steadiness of trade" and "appropriation of some part of the gain to the Exchequer".⁹

Throughout his correspondence with members of his Cabinet, Peel stressed that continued protection was still his aim:

"We must substitute protection for prohibition and must set about considering what will constitute fair protection".¹⁰

He was not at this stage prepared to sacrifice major domestic interests which were to receive fair protection. However, some areas of provision would need little protection - live animals and fresh meat:

Peel decided to tackle the problem of the Corn Laws first; but he warned the House that this should not be regarded as the commencement of a general assault on the laws. This was a deliberate rebuff to the Anti-Corn Law League which proclaimed the Repeal of the Corn Laws as a panacea for all or most of the crises of society:

"I feel bound to declare that I cannot recommend the measure I am about to propose by exciting the hope that any alteration of the Corn Laws will be a remedy for some of the evils which, in a great manufacturing country like this seems to be inseparable from the system".¹¹

There were three significant features to the restructured scale which he proposed. Firstly, the duty would never exceed 20s. Secondly, it would be imposed when British corn was priced at 50s and would diminish by 1s per shilling rise in price. Thirdly, there would be two rests in the duty: between 52s and 54s, the duty remained static at 18s; and likewise between 66s and 69s the duty remained at 6s. Hopefully, this would deter speculators from withholding corn and therefore providing greater price stability vital for farmers particularly at harvest time. The consumer gained cheaper corn, for duty was now reduced by some 50% i.e. between 59s and 60s the existing duty of 27s 8d would be cut by more than half to 13s.¹²

Peel now turned to the great technical question of the day - finance. In his speech to the House he stressed that the budget deficits forecasted for 1842 and 1843 would bring the total deficit for the period 1838-1843 to an aggregate of £10m. Reduced expenditure was not an acceptable solution, for Peel felt that this would impair the protection of Britain's commerce and her imperial possessions. Therefore, there was a need for a new permanent source of revenue. He rejected the increased taxation of consumable items; nor would he countenance the expedient of continued loans or an issue of Exchequer Bills.

Having eliminated all alternative means of increasing revenue, Peel turned to a tax on income as the only viable means of immediately restoring the finances of the nation and he therefore looked to the wealthy to do their duty:

"Instead of looking to taxation on consumption - instead of reviving the taxes on salt and sugar - it is my duty to make an earnest appeal to the possessors of property for the purpose of repairing this mighty evil. ...I propose that, for a time to be limited, the income of the country should be called on to contribute a certain sum, for the purpose of remedying this mighty and growing evil. 13

Peel therefore, proposed an income tax of 7d in the pound (i.e. 3% tax) on all incomes above £150 per year. The profits of farmers were to be assessed at one half of their rental. These financial proposals were intended to yield £3.7m and therefore, in order to extinguish the deficit and obtain a surplus in order to carry out tariff reform, Peel intended to supplement the income tax with two other sources of revenue. Firstly, Ireland which was exempt from the general operation of Peel's proposals, was to contribute in the form of increased duties on spirits and stamps. Secondly, Peel proposed to extend the tax on coal exported in foreign ships (4s per ton) to all coals exported in British ships. This, of course, had much significance for the North East. Peel justified this decision by pointing to the dramatic fall in revenue from coal exported in foreign ships. Peel blamed the operation of the reciprocity laws for this decrease and he defended his decision to extend the tax by stressing the encouragement given by British coal to foreign industry:

"I cannot conceive any more legitimate object of duty than coal exported to foreign countries. I speak of a reasonable and just duty and I say that a tax levied on an article produced in this country - an element of manufactures - necessary to manufactures - contributing by its export to increase the competition with our own manufactures - I think that a tax on such an article is a perfectly legitimate source of revenue".¹⁴

Peel estimated the total yield from these sources to be £4.3m. Taking into account the sums required for existing operations in China and India, he arrived at a net surplus of 1.8m. What did he intend to do with this surplus? Peel revealed a programme for the total remodelling and rationalisation of the tariff system on the general principle of removing all prohibitory duties and reducing all import duties on raw materials to 5% or less and those on all manufactured goods to 20% or less. Of 1200 dutiable articles on the book of tariffs, 750 would have their duties reduced with a loss to the exchequer of £270,000. The duty on foreign and colonial coffee would be reduced with a loss of some £171,000 although for reasons outlined above there was no reduction in the duty on sugar. The duty on foreign timber was lowered while Canadian timber was to be admitted at a minimal duty only. The loss was estimated at £600,000. Working on these figures Peel arrived at an overall surplus of £520,000 for additional expenditure in the wars in the Far East. Peel concluded this speech by appealing to the House and to the upper classes in general to shoulder the burden of "upholding the public credit" and checking the growth "of this mighty evil" (the deficit). He exhorted his audience to emulate their fathers who had made a similar sacrifice in the 18 years

of war up to Waterloo. They had accepted a property tax of 10%: surely this legislature could submit to a lesser burden during a time of peace, especially as all the indications were that prosperity was increasing amongst the upper classes.

The third branch of his fiscal policy was the Customs Duty Bill introduced in early May. This contained the alterations in the tariff outlined above. Peel admitted that there were notable exceptions - namely sugar- but through his programme ran the general principle that comprehensive tariff reform would benefit all consumers and substantially reduce the cost of living:

"I contend that its (new tariffs) inevitable effect must be to give great advantages to all classes of consumers, and to make a considerable reduction in the present cost of living in this country... I am persuaded that the general result will be to make a considerable saving in the expenses of every family in the Kingdom".¹⁵

Peel met more opposition from his own ranks than from the Whigs who, apart from opposition to the income tax, criticism over the absence of sugar reduction, the compromise on corn and the impost of exported coal, accepted the main bulk of proposals.¹⁶ The agriculturalists in his party, in particular, objected to his proposals for cattle and meat. Peel proposed the lifting of the prohibitory duty on cattle and the retention of a uniform duty of £1 per head which he considered sufficient duty and protection (dead carcasses would be admitted at 8s a cwt). Peel tried to appease the agriculturalists by pointing to the superior quality of English meat, the lack of any real competition from the continent except

Holstein and Jutland and the fact that the entry of Irish cattle which had increased dramatically, had made no effect on the price of meat. The agriculturalists were not satisfied and wanted a duty variable with the weight of cattle. To this Peel would not concede.¹⁷

Summing up, Peel stressed that he hoped damage to individual interests would be minimal for he emphasized that:

"The general result of the whole will be to increase the demand for the employment of industry"

and also:

"increase the means of the people to command the comforts and necessaries of life".¹⁸

After the political battles surrounding the 1842 Budget,* Peel returned to the economic front in 1844 when he prepared to tackle two outstanding economic problems - the contentious issues of the currency and sugar duties.

In 1844 an opportunity arose to revise the Bank Charter Act of 1833. The 1819 Act had put the currency back on the gold standard but it had failed to deal with vital questions concerning the issue of paper currency. The act did not ensure sufficient bullion to cover note issue; there was no legal restriction on the issue of paper currency and over 400 banks were entitled to issue their own notes. There were two rival schools of thought concerning the volume and control of currency. The 'Banking School' preferred the volume to be decided by bankers and, therefore, circulation would depend on prices, wages and the level of economic activity. The 'Orthodox School' whose strongest

* See Chapter Three.

supporters were to be found in the Bank of England, considered that speculation and inflation were caused by unrestricted circulation. They saw a strict relationship between paper issue and gold reserve and called for the centralization of currency control in the hands of the Bank of England. Such a system would obviously arouse great opposition from the country banks and there would be much criticism if the government exerted indirect control over the only centre of note issue.

Peel had sat on all four currency investigations between 1819 and 1841. In a detailed memorandum to the cabinet he examined the arguments for and against the rival schools of thought and the attendant political pitfalls. The features of his proposed Bank Charter Act represented a middle course but in his preamble to the bill he veered towards a greater restriction of the volume of paper currency and he stressed the danger to the economy from the over issue of notes unsupported by reserves of bullion. Free competition led to "extravagant speculation" and "complete insolvency". Peel's Act separated the Bank of England into two departments - issue and banking. Note issue was to be related to a specific amount of bullion and securities. The fiduciary issue was not to exceed £14m. Private banks of issue were to be restricted and no new ones were to be created. Finally, there would be a weekly statement published by all Banks of issue.

Many economists and bankers thought the credit restrictions imposed by the bill too rigid. Financial

crises would be intensified for now the Bank of England could not issue at its own discretion. Peel accepted that at certain times the restrictions would have to be relaxed and the law suspended: but they would be exceptional crises and should not undermine the principles underlying his act. Those in authority in the future would have to judge for themselves when suspension was necessary. He stressed this point in a letter to the Governor of the Bank of England:

"My confidence is unshaken, that we are taking all precautions which legislation can prudently take against the recurrence of a monetary crisis. It may occur in spite of our precautions and if it does and if it be necessary to assume a grave responsibility for the purpose of meeting it, I dare say men will be found willing to assume such a responsibility".¹⁹

Within three years Peel advised Russell to do just that in the financial crisis of 1847.²⁰

The question of sugar duties had been postponed since 1842 but there was a need for new legislation on sugar in 1844 for in that year the Brazilian treaty expired and therefore it was an opportune time for a reappraisal of the sources of supply. Up to 1844, the supply of sugar to the U.K. had been a West Indian monopoly for duty on this sugar was 25s 3d a cwt., compared with 63s for foreign sugar. However, growing domestic consumption was rapidly exceeding the capacity of West Indian planters to meet it. Therefore, prices had risen and this was a situation which was unacceptable to the public and committed free traders. A reduction in duty would not result in an automatic drop in price as long as the monopoly existed and this would have an adverse effect on the revenue, for sugar accounted for 1/3 of total

revenue from customs. The government were forced to examine other sources of supply. The purchase of slave-grown sugar was an unacceptable alternative, for Peel had fought against the Melbourne Government's sugar proposals in 1841 on anti-slavery grounds. Likewise, there would be outrage from the powerful West Indian lobby after they had been forced to accept emancipation. The East Indies offered a more tempting source. The sugar was produced on free plantations but the scale of development in Java and the Philippines was only limited. The existing Brazilian treaty stated that if East Indian sugar was admitted Brazilian sugar must be given the same commercial status. The East Indies would have to be given encouragement to expand but arrangements would have to be made to maintain the West Indian privileges. Goulburn suggested two stages to the alteration of the sugar duties. In 1844 the duty on imported foreign free sugar should be reduced to 34s which would still leave imperial producers with a 10s preferential margin. The following year the government could examine further reductions dependent on the plans for the renewal or termination of the income tax.

There now ensued a political battle that alienated Peel from the majority of his party and led to his threatened resignation. Free traders and protectionists throughout the House united: the former wanted the duty reduced on all sugar - free, imperial, or foreign; the latter objected to a decrease in imperial preference. Russell proposed the abolition of the distinction between foreign and imperial. This was defeated but the motion of P. Miles, a leading

West Indian spokesman from Bristol, was carried. He suggested the reduction of imperial duty to 20s and the retention of 34s for foreign free sugar. Peel was angry at the absence of support from his own ranks and he threatened resignation. He refused to accept the Miles proposal or return to old duties. Peel supported a new motion which restored the preferential margin to 10s; but he feared the worst. Stanley appealed to the party and the motion passed, much to the Queen's delight. Peel was eventually convinced that the rejection of a minor detail of his tariff programme did not constitute a revolt by the party against his commercial philosophy.²¹

1845 was the occasion for Peel's second great experiment in tariff reform. The income tax would expire in that year and, therefore, Peel along with Goulburn would have to plan their future fiscal and commercial policy. Peel was determined to renew the income tax for a similar (or longer) period if possible - sweetened with a further round of tariff reductions. He explained to the House the financial facts of life. There was an expected real surplus of £5m in April of that year. If the income tax was allowed to lapse and there were no other charges, there would be a surplus of £2.5m for the year 1845-46. After that there would be a deficit, for other sources of revenue would no longer be available and the government intended to increase services expenditure by £1m. The logic of the situation, therefore, demanded a renewal of that income tax which would

produce a working surplus of £3.5m in April 1846, and enable that surplus to be returned to the public in the form of remissions of those taxes.

Peel, therefore, proposed a reduction in sugar duty - the duty on colonial sugar was lowered to 14s and that on foreign free to 23s 4d. He proposed the abolition of all export duties on British goods and the abolition of imported duties on 430 articles, including the duty on raw cotton, glass and the duty on auctions. These proposals constituted a loss to the revenue of £3.3m - over 1/3 was incurred over sugar - and Peel asked the House for an extension of the income tax for a further three years. Peel had hoped to extend the tax for five years but settled for three and he told the House that he looked forward optimistically to the termination of the tax at the end of that period.

The official Whig opposition denounced the income tax as inquisitional and unjust but, nevertheless, they signified their intention of voting for it.²² The prospect of a massive surplus if the Whigs were returned to office was obviously very attractive.²³ Peel was very pleased with his bold strategy and considered his 'coup d' état of 1842' equalled by that of 1845. The repeal of the customs duty on raw cotton and the manufacture of glass had won over the House. Nothing, however, had been done for agriculture. Its omission from the budget was ominous. the protectionists were anxious concerning his next move now that sugar duties had been reduced. However, Peel stressed that no extra burdens had been imposed on the farmers - the repeal of the

auction duty was, in fact, a marginal benefit. The corn laws now stood in splendid isolation.

The issue which finally focused attention on the corn laws was of course the growing threat of famine in Ireland which followed the failure of the potato crop in the autumn of 1845. In the face of cabinet disunity over possible alteration of the corn laws, Peel passed the poisoned chalice to Russell. He had no more success in constructing a cabinet which would be able to tackle the crisis with unanimity²⁴ and, therefore, Peel found himself charged yet again to solve this major problem. He returned to office on the 20th December with full Cabinet support for abolition of the corn laws - only Stanley had refused to join him. Peel outlined his strategy to Goulbourn. His aim was to avoid giving "undue prominence to corn, but to cover corn by continued operation on the customs tariff"²⁵ and finally remove all unnecessary tariffs and customs in one last attack.

"Let us leave the tariff as nearly perfect as we can ... Let us put the finishing stroke to the good work".²⁶

Russell gave the Queen assurances of support and the cabinet gave their assent. Peel now seemed in a position to tackle the crisis successfully, but Lord Heytesbury warned him of another impending crisis. Although his cabinet now saw the necessity of the course he had adopted with the "object of preserving the Empire" from men so "thoroughly reckless" as Grey and Cobden, the country squire would be blind to the benefits of Peel's proposals.

"Bolstered up by the violence of their own little conclaves, and looking rarely beyond the preservation of their seats in parliament, it is to be feared that the desire of avenging imaginary wrongs will prevail with them against the dictates of prudence and sound policy".²⁷

On the 22nd January, Peel addressed the House of Commons and defended his change of view and the process by which he had come to remove protection from industry and agriculture. He examined the case for protection and explained how he had been won over to the arguments in favour of tariff reform. Careful consideration and observation of the economics of free trade had convinced him of the need for abolition of the corn laws. In his summing up he stressed that none of his aims could be considered inconsistent with true conservative policy. Any attempt to improve the material condition of the people and thus promote social harmony was the best guarantee against threats to the traditional institutions of the land.

Peel proposed a reduction in duties on a wide range of products and articles - soap, sugar, timber, tobacco. On corn he announced that duties would be reduced progressively until 1849 when they would be abolished, as would the duties on all other cereals. The duty on corn would stand at 10s when domestic corn was less than 48s a quarter: and diminishing to 4s when the price rose to 53s and above. Peel saw the encouragement of high farming techniques as the real solution to farming problems and his package of measures was designed to assist the improvement of agricultural methods. Reduced duties on crops vital to pastoral farming would benefit the rearing and fattening

of livestock. Financial compensation for the farming community was provided in rate reductions and the provision of drainage loans.²⁸

Peel's package was not enough to convince the bulk of his party who opposed abolition that they should be prepared to enter a brave new era of scientific farming unprotected by legislation. Throughout the debates on the corn laws, Peel relied heavily upon the support of the Whigs. When this support was denied over the Irish Coercion Bill, the protectionists had their revenge.

In his final speech to the House as Prime Minister, Peel had stressed yet again that his strategy was designed to meet the needs of the working population of the nation as well as assisting the development of the major interests within the commercial and agricultural sphere. Peel had attempted to reconcile these elements to his strategy for he aimed to promote prosperity throughout the country. Tyneside and its hinterland provide an interesting area in which to assess how well his policies were received, for although commercial and industrial activities were important, many in the region were still dependent on the land.

Chapter 2: Peel's Economic Policy: Aims and Methods

1. For the background to Whig financial administration and fiscal policy 1837-1841 see: N. Gash, Aristocracy and People. (London, 1979) pp.183-186; L. Brown, The Board of Trade and the Free Trade Movement 1830-1842 (Oxford, 1958); and J. Prest, Lord John Russell (London 1972) pp.172-189.
2. See B. Kemp, 'The Election of 1841' History, XXVII (1952), pp.146-157; and also E. Jaggard, 'The 1841 Election: A Reconsideration', Australian Journal of Politics and History, XXX (1984), pp.99-114.
3. N. Gash 'Sir Robert Peel' (London, 1972), p.318.
4. Sir Robert Peel to Lord Ashburton, 18 October 1841, 'Sir Robert Peel' (London, 1899), ed. C.S. Parker Vol. ii, p.499.
5. With mounting deficits in 1840 and 1841, the Whig administration had attempted in the Budget of 1841 to reduce the duty on three major items - sugar, timber and corn. Their aim was twofold - to increase revenue as consumption increased; and also they hoped that Peel would be forced to declare his attitude to tariff reform. Peel refused to be drawn on these issues knowing full well that committed statements would endanger his relationship with his party and jeopardise his and his party's fortunes at the hustings. See below Chapter 3 and the following: Lucy Brown, op.cit., pp.214-231; R.H. Cameron, The Melbourne Administration, The Liberals, and the Crisis of 1841', Durham University Journal, new series, xxxviii (December 1976), pp.83-103 and B. Kemp, 'The General Election of 1841', History, Vol XXVII (1952), pp.146-157.
6. Sir Robert Peel to Lord Ripon, 1 November 1841, Parker, op.cit., p.498.
7. Lord Ripon to Sir Robert Peel, 17 October 1841, Parker, op.cit., p.496.
8. Sir Robert Peel to Lord Ripon, 19 October 1841, Parker, op.cit., p.496-497.
9. Sir Robert Peel to Lord Ashburton, 18 October 1841, Parker, op.cit., p.499.
10. Ibid.
11. Sir Robert Peel, 9 February 1842, Hansard, 3rd. Series, Vol. LX., p.204. See also N. McCord, The Anti-Corn Law League (London 1958).

12. The Whigs had favoured a fixed duty in their budget of 1841. Peel had warned in the debates on the budget proposed by the Whigs that his preference was "decidedly in favour of a graduated to a fixed duty" and he would not bind himself "to the details of the existing law". Sir Robert Peel, 18 May 1841, Hansard, 3rd. Series, Vol. LVIII p.625.
13. Sir Robert Peel, 11 March 1842, Hansard, 3rd. Series, Vol. LXI, p.439.
14. Sir Robert Peel, 11 March 1842, Hansard, 3rd. Series, Vol. LXI, p.448.
15. Sir Robert Peel, 10 May 1842, Hansard, 3rd. Series, Vol. LXII, p.355.
16. Whig opposition to Peel's Budget of 1842 was of a limited nature for they could hardly oppose the policy of tariff reform without repudiating their own budget of 1841. Morale was low within the opposition ranks and Russell underestimated Peel's ability to steer his proposals through Cabinet and the House. The only determined attack on the budget was reserved for the income tax. During the committee stage a variety of arguments were used against the tax on income - it was wrong in principle, it was not warranted by any real emergency, it was excessive in amount, unjust in its failure to distinguish between settled and precarious income and unnecessary since there were other ways of meeting the deficit. Attempts were made to obstruct the passage of the bill, but all to no avail. See J. Prest, op.cit., pp.189-101; Gash, op.cit., pp.321-323.
17. See N. Gash, op.cit., pp.323-326.
18. Sir Robert Peel, 10 May 1842, Hansard, 3rd Series, Vol. LXIII, p.384.
19. Sir Robert Peel, to the Governor of the Bank of England, 4 June 1844, Parker, op.cit., Vol. III, p.140.
20. See below Chapter 6.
21. See R. Stewart, "The Ten Hours and Sugar Crises of 1844", Historical Journal, XII, No. 1 (1969), pp. 35-57; and D.R. Fisher, "Peel and the Conservative Party: The Sugar Crisis of 1844 Reconsidered", Historical Journal, XVIII, No. 2 (1975), pp.279-302.

22. See N. Gash: 'Cheap Government, 1815-1874', in Gash, Pillars of Government (London 1986), pp.43-54; (W.E. Hickson) 'Postscript: Financial Project of Sir Robert Peel', Westminster Review, XXXVII (April 1842), pp.469-74.
23. Prince Albert to Sir Robert Peel, 18 February 1845, Parker, op.cit., p.170.
24. See F.A. Dreyer, 'The Whigs and the Political Crisis of 1845', English Historical Review, IXXX (July 1965) pp.514-537.
25. Sir Robert Peel to Goulburn, 27 December 1845, Parker, op.cit., p.294.
26. Ibid.
27. Lord Heytesbury to Sir Robert Peel, 25 December 1845, Parker, op.cit., p.290.
28. See D.C. Moore, 'The Corn Laws and High Farming', Economic History Review, 2nd Series, Vol. XVIII, (1965-1966), pp.544-561.

CHAPTER 3:

Peel's Budget of 1842:

Impact and Reception on Tyneside

In the financial debates of the summer of 1841 Peel's challenge to the Whigs perhaps inevitably provoked a counter-challenge. What alternative did he and his supporters propose in order to remedy the financial deficit? Peel, however, resisted such inquiries; it was the Whig ministers who were under examination for they had failed to find a satisfactory solution to the financial state of the country. The Tory press took a similar line:

"We have said so much of the revival of the budget of May because it was seen to be the only resource relied upon by the "Deficit Administration" and their adherents. They may, however, have some other resource; but if they have, why not tell it? Why is it the subject to be inquired of from the right honourable member of Tamworth and not from her Majesty's paid ministers?"¹

Nevertheless, the Peel Ministry took office amid an air of expectancy. Now they were the government, the constitutional niceties no longer shielded them and they would be obliged to disclose their own solutions. Some political commentators considered that once in office Peel would be forced to adopt liberal measures; and yet he would be unwilling to reveal the true extent of such measures in order to preserve party loyalty.² The Whig Charles Greville, pessimistically accepted what he now saw as an 'established fact in politics'.

"The Tories only can carry Liberal measures. The Whigs work, prepare, but cannot accomplish them; the Tories directly or indirectly thwart, discourage, and oppose them till public opinion compels them to submit, and then they are obliged to take them up".³

The Liberal Newcastle Chronicle was even more pessimistic than Greville. Far from expecting the Tories to bow to the pressure of public opinion, the champion of

the Anti-Corn Law League in the north-east held out little hope for a radical alteration in the operation of the corn law. Obviously, there would be some "show of relief",⁴ but in reality the new ministry would maintain "the restriction with all its concomitant evils as severely as before".⁵

There seemed little to suggest to the Chronicle that the unemployed, destitute and hungry could expect a more compassionate attitude from the new Tory administration. In fact, it feared more reactionary measures:

"Instead of measures of relief, they threaten us with a war against machinery and a repeal of the Reform Bill".⁶

Peel was seen as a defender of the agriculturalists and the landed aristocracy, the basis of Tory power and influence, against the rise of the 'millocracy'. No matter how the new economic measures were dressed up, the country was in for a period of harsh and austere legislation.

The Journal, which represented hardline Tory views was convinced that Peel could cater for the economic interests of all groups. When he finally disclosed his fiscal measures in the Budget of January 1842, the Journal was quick to claim that the Corn Bill was proof that a new stable economic order could be maintained. The new Corn Bill represented in its 'suitableness' and 'justness' a "compromise between the claims of the two great interests"⁷ and "in its just appreciation of national interests it displayed the pure and ardent patriot".⁸ On a more technical level the great virtue of the bill was the stability that it imposed:

"...it is free from the sudden jumps and jerks which characterised that which it is intended to replace".⁹

The Journal's sentiments in the north east were shared by the Times which expressed its "general satisfaction"¹⁰ with the bill and acknowledged that it satisfied those who wanted some protection but considered that the old system was over-favourable to the landed interest. It had many virtues, one of which was the attempt to eliminate sudden changes:

"Little as we ever liked a sliding scale, we are still less attached to what has been justly called a skipping scale. We have no longer to lament or to be perplexed by those sudden leaps".¹¹

Charles Greville was less convinced. He recorded, for instance that feeling in the City and political circles was not over-sanguine as to the beneficial effects of the new corn bill.

"There are however, "he conceded", a great many very different opinions on the subject, the result of the whole being that the measure is preferable to the present scheme; that it will be quite harmless to the producer, and may be of some service (but not much) to the consumer".¹²

Greville was not impressed with the presentation of Peel's policy in the Commons and considered his approach ambivalent. Peel's speech was that of:

"...an advocate rather than of a statesman. But if he could speak his mind he would no doubt admit that he was arguing against his opinion and convictions".¹³

Here was hardly the hero as cast by the Journal or the leader of "an honest Conservative Ministry"¹⁴ as described by the Times. The nation looked in vain, in Greville's opinion, for a suitable leader; "But where are we to look for great men? The generation of them has passed away".¹⁵

The radical and liberal press of Tyneside found their earlier predictions confirmed by the new corn bill. They regarded Peel's proposals with cynical scepticism:

"...it is evident that we are doomed for some time longer to endure all the evils and disappointments arising from the sliding scale".¹⁶

This was the final judgement of the Chronicle, the Tyne Mercury was even more pessimistic:

"Everything that we have seen would seem to show that we are to have an alteration without a change-an old face under a new mask".¹⁷

On further examination, the Tyne Mercury remained adamant. "It looks well on paper, but it seems to us to disguise the old system of fluctuation".¹⁸ The new sliding scale was a device to satisfy the industrial and commercial sector while maintaining protection for the agriculturalists. Greville's comments concerning Peel's lack of room for manoeuvre are echoed by the Tyne Mercury which felt that this measure was another example of the Premier's "...cringing and truckling to the Tories and the aristocracy".¹⁹ Across the river, the Gateshead Observer expressed much the same views for it was savage in its condemnation of the new bill - "a mockery of a measure".²⁰ Again,

"We have very great doubt whether it will be found in practice any relaxation whatever of the old and rejected law".²¹

The Gateshead Observer had no doubt about Peel's motives: "...the wily Premier has more of cunning than of wisdom in his composition".²² Peel was less concerned with the welfare of the nation than "his chances of success as the champion of monopoly".²³

In the Commons, north-eastern M.P's. were equally critical of the new bill. Edward Howard M.P. for Morpeth, strongly disapproved of the new measure. He considered that the free trade principles adopted for the other articles in Peel's tariff reform should be extended throughout. The new sliding scale was "partial and one sided"²⁴ and continued to give exclusive protection to the landed interest. Viscount Howick, Whig M.P. for Sunderland was as ever vociferous in his attack on Peel and the "faulty principle of the Act".²⁵ The principle of the sliding scale was now proved to be totally discredited and had brought distress on industry, commerce and agriculture. Henry Liddell, Tory M.P. for North Durham, came to Peel's defence. He considered that Peel was justified in maintaining a fluctuating duty and, thereby affording some protection to the farmers.²⁶

As to Peel's ultimate goal and future policy, opinion was divided. Among the few marginal benefits - the new method of assessing the averages; the option of levying the duty at source - the Chronicle could see that the alteration, however slight, signalled the eventual abolition of the corn laws.²⁷ The Gateshead Observer felt that there was little evidence as to the future policy of "so slippery a politician".²⁸ In the short term, protectionist lines would be followed under the guise of the sliding scale. This was only further proof of the need for constitutional overhaul of this "infatuated aristocracy".²⁹ According to Greville, opinion in the Westminster lobbies was more optimistic. The new corn law was "only the advance of a stage...we are and must

be progressing to final repeal".³⁰ The real obstacle was in persuading the "ultra-Protectionists" to yield. Greville hoped that common sense would prevail:

"for the prudent among them (a great minority I fear) will open their eyes to the reality of their position and act accordingly".³¹

It would seem that Tyneside liberal opinion as reflected in the press did not share his opinion.

The Times was convinced that the incumbent administration was prepared to continue along the road to free trade and that the programme of tariff reform indicated:

"...the determination of the ministers not only to act in good faith upon the principles of Mr. Huskisson but to carry them to a more systematic development than has yet been attempted by any of the predecessors in office".³²

The Chronicle and Tyne Mercury spearheaded the attack on Peel's reintroduction of the income tax. The Chronicle was in an uncompromising mood. "It is a tax in its nature most inquisitorial; unjust (because unequal) and intolerable".³³ This tax which should have remained a wartime measure only, would intensify social and economic problems, stifle trade and was a direct threat to the 'precarious profit' of the middle classes. The Tyne Mercury adopted the same posture and considered that the imposition of this "most odious, abominable inquisitorial and unconstitutional of imposts"³⁴ would only drive the middle classes from these shores and "the absence of the talent and the intellectual power"³⁵ of these groups would be a grave loss to the Empire. The Gateshead Observer did not foresee such dire consequences but agreed that such a measure would stifle entrepreneurial

expertise and drive and furthermore stem the "current of national exertion".³⁶ The liberal and radical press on Tyneside was unanimous that Peel had committed a major tactical error by the inclusion of the middle classes in his target group for taxation. By taxing the "creators as well as the possessors"³⁷ of wealth, national economic recovery would be severely hampered. The Times agreed with the Tyneside press on this point and preferred "charges to fall on those...who have a continuing interest in the country - on property not on income".³⁸

Similar arguments against the income tax were echoed in the Newcastle City Council. Sir John Fife spoke out vehemently against the proposed measures stating that taxation should be "as little as possible vexatious" and should press heaviest "upon those whose protection had required so much of the blood and treasure of the country".³⁹ He did not accept that such a radical fiscal measure was required for pressing foreign commitments - the existing problems in India were minor compared with the real emergency in the Mediterranean in the preceding administration. He was convinced that the China War would pay for itself. Objections were raised against the enormous power that such a measure would give to the government for it would "require the secrets of a person's trade to be laid open".⁴⁰ Speakers on behalf of the tax were few in number. One councillor questioned the right of the council to discuss such political matters. Another defended the measure in the light of the financial state of the country. However, there was near unanimity for the petition to the Queen which stated the Council's

objection to the income tax.

Feelings throughout the county of Northumberland would appear to have been just as strong for a similar petition against this measure was carried by 'acclamation' at a public meeting in Morpeth. Such a tax was described as:

"indiscriminate in its application to incomes derived from professions, agriculture, trade and commerce and to incomes derived from real and permanent property...(and) is arbitrary and unequal in its principle...(and) will in its operation be inquisitorial".⁴¹

In contrast to opinion within the city, speakers pointed to the special problems posed by the imposition of the tax for those who depended for their living on agriculture. In fact, the tax would press more heavily on the agricultural classes than others. For those engaged in commerce, trade and manufacture, "it was a tax on ascertained receipts"; for the farmer, it was based upon returns which were at best speculative" and laid down on a high scale".⁴² The new tax would inevitably lead to much unemployment in the county and this would mean a consequent rise in parish rates. There was, however, much sympathy for those who derived their income from trade, for regular fluctuations would make trade a poor basis for taxation. The middle class would be unable to employ the poor whose suffering would increase. In the county, the tenant farmers would likewise find themselves hard pressed financially. Peel's measures were, it was felt, a tax on "industry and intelligence"; what was required was a tax on "real property as well as personal".⁴³

Those who attended the meetings in Newcastle and Morpeth readily offered Peel alternative means of increasing revenue. A graduated property tax was the most favoured scheme - but there was also much support for the admission of foreign sugar, increasing the existing probate duty on land and the alteration of the stamp duty on cheques. Feelings against the proposed tax ran high throughout the area and persisted well into the following year for the High Sheriff of Northumberland received a request in February 1843 for a county meeting to consider "the evil workings of the income tax".⁴⁴ Over 600 names appeared on the petition representing landowners, farmers, tradesmen and others. Farmers were able to talk from bitter experience of the impact of the "oppressive and unjust" tax over twelve months. Their ability to employ and increase production had been severely limited and they warned of severe consequences for the county as a whole⁴⁵.

The county meetings reveal the general disappointment felt within the farming community concerning Peel's agricultural policy. Many considered that he had betrayed agricultural interests even though the 1841 election had returned a parliament committed to protect such interests against the tariff programme of the Whigs. Some suggested that the latter may have been preferable to Peel's measures; some support was forthcoming for instance, for Lord John Russell's proposal of an eight shilling fixed duty on corn, in April 1842 in the light of Peel's revised scale. The premier, it was claimed, was "always in the rear of public opinion"⁴⁶ and had ignored party interest

in the name of "legislative expediency".⁴⁷ He had thrown "his professions to the winds" and had passed three measures all detrimental to agricultural interests: the modification of the corn law; relaxation of restriction on the import of foreign cattle; and the three per cent income tax on half of agricultural rentals. Some suggested that Peel's main aim was to protect the landowners in parliament and the absence of the gentry from the meeting was specifically noted. One angry speaker suggested a tax on the Carlton Club. The same resentment was present early in 1843 and Peel was criticised for "sacrificing the farmers interests at the altar of party ambition".⁴⁸ Sir John Fife hoped that such blatant attempts to maintain the privileged position of the landowning aristocracy would unite the working class and middle class in a concerted effort to obtain a "free and fair" representation of interests in parliament.⁴⁹ Sir John's opposition to the tax reflects feelings in city and county and, on the evidence of these meetings, there appeared to be much hostility to the income tax within the commercial community on Tyneside and the agricultural community throughout Northumberland.⁵⁰

The Journal had little to say in reply to the criticisms of the income tax within the region. The main line of defence was to stress the two great virtues of such a system of raising revenue:

"There is less waste, less expense in its collection than in that of any other and there is a greater certainty of produce".⁵¹

In the Commons, Henry Liddell stressed that the imposition of such a tax in peace time was warranted because it was designed to meet the needs of the war started in the middle east during the previous Whig administration. The income tax was perfectly justifiable in the light of Whig financial maladministration and was therefore "quite sufficient to justify any government departing from a fanciful rule of this nature".⁵²

Ironically, there was much support in the Tyneside press for the financial strategy of the Whig ministers. The Chronicle was convinced that the Whig financial programme offered an adequate solution. The Gateshead Observer agreed and considered that the measures of the previous administration had been poorly explored.⁵³ Viscount Howick followed a similar line by attacking "such an onerous Tax".⁵⁴

There was an unusual degree of support throughout the Tyneside Press for Peel's proposals for tariff reform (with the notable exception of the Coal Tax (see below)).

"These reductions will no doubt do good and it is pleasing to see Tories advancing so far in the way of a more liberal scale".⁵⁵

The Journal praised Peel's "carefully and wisely adjusted tariff".⁵⁶ The Tyne Mercury was forced to admit initially, "we must admit that in the way of provisions ... much benefit will accrue to the community".⁵⁷ The Gateshead Observer welcomed the reductions in duties on coffee, timber and live animals⁵⁸ and the Times was even more impressed:

"With regard to the commercial part of the Ministerial plan we are also well satisfied. The relaxations proposed are judiciously and fairly apportioned in such a way as one might expect from Sir Robert Peel's application, clear sightedness, and impartiality".⁵⁹

The Chronicle, however, detected an element of inconsistency in the decision of Peel to allow the importation of livestock while continuing to restrict the import of corn.

The reaction within the Newcastle Press illustrates the differences over economic policy within the community. The Journal remained a supporter of colonial preference and applauded Peel's continual assistance to trade with the colonies which enabled these areas to develop:

"of all trades in point of certainty, value and importance that between the mother country and her colonies is the best. It enriches both and is placed beyond the reach of foreign jealousy or the accidents of foreign war".⁶⁰

Britain's colonies had been and were the basis of her strength and prosperity: "what had England been except a third or fourth rate power without her colonies?"⁶¹ In view of these comments, it is small wonder that the Journal gave full support to Peel's decision to retain the principle of colonial preference within a modified tariff structure. The Tyne Mercury saw the preferential system as unnecessary. Free Trade would bring universal benefits:

"Free trade is, and must be, the most perfect of all trade - the more free you make it...the better it must prove to all parties concerned".⁶²

Free trade would thus lead to an "increase in capital" and an "improvement in wages".⁶³

Colonial preference had worked greatly to the advantage of timber merchants and shipowners alike on Tyneside. The proposed reduction in duty on imported foreign timber would have a major impact on this vital seaborne trade. However, the new tariff met with a mixed reception from interested parties in a public meeting in Newcastle.⁶⁴ Newcastle shipowners accepted that tariff reform might well lead to a revival of trade and an attempt to impose a minimum freight charge was resisted. A lengthy debate among interested parties in Sunderland underlined the breadth of opinion.⁶⁵ It was generally agreed that the North American trade would suffer greatly especially as this accounted for over 800,000 tons a year. Unemployment amongst native sailors, emigration and an increase in foreign competition were all seen as likely consequences especially as the trade was going through a period of hardship. It was conceded, however, that the existing system did present problems. Much of the American timber was brought in colonial bottoms to the disadvantage of British builders. Previous to 1842 it had not been possible to import wood in the form of deal to be sawn in Britain. The equalisation of duties on deal and timber would benefit British timber merchants. Many considered that the Baltic trade was already lost to foreigners (However, it was doubted whether serious foreign competition would materialise for Baltic merchants who would probably take advantage of the favourable duties to increase their prices). The general view in Sunderland was that the new duties would lead to

benefits for all connected with the timber trade in the long term although there would be initial problems. Therefore, it was unanimously agreed to accept the proposed alterations.

The feature of Peel's economic package which raised most comment on Tyneside was undoubtedly his decision to impose a tax on the export of coal. Such attempts to raise revenue by this means had been abandoned in 1834. The Chronicle could foresee nothing but disaster for the new tax would:

".....materially affect the exportation of the best coals but upon the small coals it must act as an effectual prohibition. The tax is greater in amount than their value".⁶⁶.

The Gateshead Observer saw this as a typical Tory measure aimed at exploiting a reliable source of wealth. The Tories had always looked upon:

"The coal trade...as a little black cow created for no other purpose than that of being milked for the benefit of the Exchequer".⁶⁷

The Journal was, of course, on the defensive but came to Peel's rescue with a plea that critics look to the expediency of the government's measure. The tax was a necessary form of raising revenue and one to which every continental state had resorted. Also, Peel was prepared to meet the coal producers and exporters half way by an offer of a 50% reduction as and when the occasion demanded and the coal trade would be sustained.⁶⁸

Where vital regional interests were at stake, some Tory M.P's., ignoring the defensive line taken by the Journal, criticised strongly the measures of their

administration. The Tory M.P. for Newcastle John Hodgson-Hinde attacked Peel's measure as neither "prudent or feasible".⁶⁹ Revenue would not increase for expansion of production and export had taken place following the removal of the duty in 1834. A reimposition of such a duty would surely lead to a contraction of trade. The bulk of exported coal was 'small' - 'large' coal would still be required as before for the home market and, therefore, greater stocks would not be available. Finally, this measure would not, as suggested, restrict the industrial capacity of Britain's potential rivals and competitors - Russia, U.S.A., Belgium and Spain. Most exported coal went to Scandinavia, so there would be little indirect benefit to British industrial development. Another Tory, Henry Liddell, M.P. for North Durham, continued this line of argument.⁷⁰ The measure entailed the possible loss of markets to foreigners and endangered such a vital interest as coal. Vast sums had been invested in the coal industry and great numbers were employed in the coalfields. The shipping interest, in his opinion, would suffer similar consequences.

For sheer weight of argument, the case brought by the coal owners themselves was seen as unanswerable. In a lengthy petition to Peel, the coal owners explained the benefits that had accrued to the industry and community since legislation of 1834 and the serious consequences that would follow any attempt to reimpose an export levy.⁷¹ the legislature of 1834 had conceded the principle that

coal should be allowed free trade. Massive investment in the coalfields had followed 1834 and the expansion had resulted in a production increase - 634,000 tons in 1834 compared with 1.5million in 1840. Such capital investment would now be lost. The coal produced for export was 'small' coal and, therefore, it had a limited market for home consumption. The recession would spread to shipping. The cost of imported goods would rise to compensate for outward freight in coal. Massive unemployment was unavoidable. Above all, the high cost of British coal would act as a stimulus to foreign states to develop their own resources and, therefore, provide secure foundations for advanced industrial development and eventually limit demand for British goods abroad. The Conservative government should heed the lesson of the legislators of 1834. Free trade had helped to create the prosperity of the late 1830's, and the coalowners urged Peel to take notice of that fact:

"They respectfully hope this beneficial principle will be acted upon in this case and that a trade which has arisen in prosperity by the abolition of the duty will not be blighted or destroyed by its re-imposition".⁷²

Further petitioning stressed the blow to regional economic development for expansion of the coal industry had led to port development and the extension of the regional rail network. The social consequences would be disastrous for the male population especially who "from the peculiar nature of the employment are ill-adapted for any other description of labour".⁷³ This unemployment would affect shipping for 75% of all coal was carried in British ships. The reduction in demand would adversely

affect their trade.

The City Council of Newcastle echoed the fears of the coalowners. Speakers viewed with "regret and alarm" the export duty on coal which, it was felt, would prove "ruinous to the capitalist and coalowner and would greatly tend to destroy the demand for labour in the coalfields of Northumberland and Durham".⁷⁴ They feared greatly for the trade of Newcastle, and yet many doubted whether such a measure would increase revenue. A petition against the coal tax was carried with one exception. Richard Brandling took the opportunity to condemn, also, the income tax which, he warned members, would present further problems for all those members directly involved in the coal trade. This "odious and inquisitorial impost" was, in his view, the real problem, and he upbraided his fellow councillors for "straining at a gnat and swallowing a camel".⁷⁵

The coalowners also received support in their protest from their employees. The pitman's main fear, however, was not the loss of export trade but rather the likelihood of a consequent lowering of their wages as their employers' profit fell. Within twelve months their fears had resulted in a public meeting at which 2000 unanimously agreed to petition parliament against the export duty. Feelings obviously ran high for there was a call for the union of all pitmen in the United Kingdom to guard against a general worsening of their conditions. Others called for restraint and warned of the possible

disastrous consequences to pitmen and their families which would result from strike action.⁷⁶

The coalowners lobbied through the Commons and Lords in an attempt to obtain a reversal of government policy.. They requested Lord Londonderry to intercede on their behalf. The new duties were "unnecessary and restrictive" and the government would be interfering:

"With the prosperity of a trade upon the progressive increase of which not only the welfare of the coal-owners but the comfort and happiness of so large a portion of the labouring population of the country depends".⁷⁷

In the same letter, the coalowners implored Lord Londonderry to stress to the government their concern over the prospective limitation of child labour in the mines by legislation.⁷⁸ This would only add to their financial problems. The committee had also turned to Northumberland's Tory M.P., Matthew Bell, for assistance; but his intercession proved of limited value. Lord Howick accused him of exerting pressure on the coalowners to accept the compromise offered by the government in the form of a 50% reduction of duty levied. The Committee stressed that the coal trade and industry would not be able to bear even this duty. The coalowners were not prepared to lie down before ministerial determination. Bell seemed only too ready to bow to the government⁷⁹ and was savagely attacked by Howick for his complicity in assisting the necessary legislation to pass through parliament.⁸⁰ Hedworth Lambton, M.P. for County Durham, came to Bell's rescue and considered his posture acceptable, although he voiced a common fear: much

investment in coal would be endangered and even national security compromised for the mercantile fleet was the nation's "major nursery for seamen".⁸¹

By the end of the year opinion in the Northern Press was still sharply divided concerning Peel's economic strategy. The Journal still believed in Peel as the "Pure and Ardent Patriot".⁸² The Chronicle and Tyne Mercury were extremely suspicious of the intentions of the "Slippery Baronet".⁸³ His policies seemed to have done little to alleviate economic and social problems. The revenue returns were most discouraging and indicated "...the existence of severe distress on the part of the great mass of the population and of the stagnation of trade".⁸⁴ The decrease in excise returns was proof of a general lowering of living standards for it was claimed "The people had not the means of obtaining these articles of necessary or indulgent consumption in anything like the quantities they were wont to consume".⁸⁵ The Chronicle had already warned the ministers of the danger to social order if economic policies were not geared to improving basic living conditions for:

"there can be no security to the country unless their claims (the working classes) and wants form unceasing objects of attention and solicitude"

and "an honest endeavour made to remove every injustice".⁸⁶

The Chronicle unlike the Tyne Mercury had initially shown some sympathy towards Peel's economic stance. By the end of the year, opinion within the editorial staff had hardened and his policies were still seen as poorly disguised class legislation.

The Journal was on the defensive and attempted to present some justification for Peel's policies. The leading Tory paper was forced to admit that the revenue returns for 1842 were "by no means satisfactory"; but factors outside Peel's control were cited as responsible for this - the advance of the temperance movement; interruption of trade in riot torn areas; a relative slump in the spending power of agricultural workers due to the abundant harvests.⁸⁷

'The Government declare that their plan is well received in the country' wrote the Whig diarist Charles Greville of Peel's budget of 1842.⁸⁸ This chapter has sought to examine the extent to which ministerial optimism was justified in one area of the country - Tyneside. The liberal and radical press in this area was prepared to look on Peel's measures with a degree of optimism in that they were a step on the road to free trade. The Tory Journal warmly applauded Peel's economic package although it was not wildly enthusiastic about the income tax.⁸⁹ Nevertheless, there were many reservations over aspects of his proposals shared by all sections of opinion in the area. The shipowners were divided in their assessment of the impact of the reduced timber duties; but they decided not to petition the government against them. Farmers in Northumberland were convinced that his agricultural policy would cause much suffering to their ranks. Throughout the area there was virulent condemnation of both the coal tax and income tax. Each

interest looked to its own and even potential income tax payers - coalowners, shipowners, merchants, farmers - could find little compensation for themselves in the new tariff proposals.⁹⁰

Chapter 3: Peel's Budget of 1842: Impact and Reception on Tyneside.

1. The Standard, 30 June 1841.
2. See I.D. Newbould, 'Sir Robert Peel and the Conservative Party, 1832-1841: A Study in Failure?' English Historical Review, XLVIII (July 1983) pp. 529-558.
3. Charles Greville, 6 February 1842, 'The Greville Memoirs 1814-1860', (London 1938), edited by L. Strachey and R. Fulford, Vol. V, p.11.
4. The Chronicle, 22 January 1842.
5. Ibid.
6. The Chronicle, 29 January 1842.
7. The Journal, 19 February 1842.
8. The Journal, 12 February 1842.
9. Ibid.
10. The Times, 11 February 1842.
11. Ibid.
12. Greville, Op. Cit., 11 February 1842, p.12.
13. Ibid.
14. The Times, 11 February 1842.
15. Greville, op. cit., 12 February 1842, p.13. Greville was aware of the lack of alternatives to Peel especially in the Whigs' ranks. Melbourne was divided from his party over the Corn Laws. He considered the reports of hardship amongst the poor exaggerated and was reluctant to support further reforms. The Radicals could see little difference between Russell and Peel and welcomed the business-like approach that the Tory P.M. made to government. See. J. Prest, Lord John Russell (London, 1972), p. 198 ff; D. Southgate, 'The Passing of the Whigs' (London, 1952), pp.124-125; and P. Ziegler, 'Lord Melbourne' (London, 1976), pp.352-353.
16. The Chronicle, 26 February 1842.
17. The Tyne Mercury, 1 February 1842.

18. The Tyne Mercury, 28 February 1842.
19. The Tyne Mercury, 15 February 1842.
20. The Gateshead Observer, 12 February 1842. For the radicalism of the Tyne Mercury and its rivalry with the Gateshead Observer, see M. Milne, 'The Tyne Mercury and Parliamentary Reform' Northern History, XIV, 1978, pp. 227-242.
21. The Gateshead Observer, 19 February 1842.
22. Ibid.
23. Ibid.
24. Edward Howard, 9 March 1842, Hansard, 3rd Series, Vol. LXI, p.314.
25. Viscount Howick, 9 March 1842, Hansard, 3rd Series, Vol. LXI, p.312. Howick had laid great stress on the need for corn law modification in his election campaign in Sunderland. See A.J. Heesom, 'The Sunderland By-Election, September, 1842', Northern History, IX (1974), p.68.
26. Henry Liddell, 11 April 1842, Hansard, 3rd Series, Vol LXIII, p.238.
27. The Chronicle, 12 March 1842.
28. The Gateshead Observer, 19 February 1842.
29. Ibid.
30. Greville, op.cit., 12 February 1842, pp.13-14.
31. Ibid.
32. The Times, 11 February 1842.
33. The Chronicle, 19 March 1842.
34. The Tyne Mercury, 29 March 1842.
35. Ibid.
36. The Gateshead Observer, 19 March 1842.
37. Ibid.
38. The Times, 14 March 1842. Nevertheless the Times accepted the necessity of such a measure in spite of its inquisitorial nature and, on inspection of the details of the measure, considered Peel's decision to be a 'bold and statesmanlike' attempt to solve the disordered state of the national finances.

39. The Chronicle, 16 April 1842. 'Resolution against the Income Tax in Newcastle Town Council for presentation to the Queen'.
40. The Chronicle, 16 April 1842.
41. The Chronicle, 16 April 1842. 'Petition from the County of Northumberland against the Income Tax'.
42. Ibid.
43. Ibid.
44. The Chronicle, 25 February 1843.
45. The Chronicle, 15 April 1843.
46. The Chronicle, 16 April 1842. cf. Greville's comments above. ref. 3.
47. The Chronicle, 16 April 1842.
48. The Chronicle, 15 April 1843.
49. The Chronicle, 16 April 1842.
50. See M. Gash, 'Aristocracy and People' (London, 1979), p.224. Gash suggests that opinion within the country was less hostile to the tax than had been anticipated by the cabinet.
51. The Journal, 25 June 1842.
52. Henry Liddell, 11 April 1842, Hansard, 3rd Series, Vol. LXII, p.238.
53. The Gateshead Observer, 19 March 1842.
54. Viscount Howick, 18 March 1842, Hansard, 3rd Series, Vol. LXI, p.877.
55. The Chronicle, 19 March 1842.
56. The Journal, 30 April 1842.
57. The Tyne Mercury, 15 March 1842.
58. The Gateshead Observer, 19 March 1842.
59. The Times, 14 March 1842.
60. The Journal, 19 November 1842.
61. The Journal, 11 June 1842.

- 62. The Tyne Mercury, 25 January 1842.
- 63. Ibid.
- 64. The Chronicle, 2 April 1842. 'Report of the Proceedings of the Shipowners of Newcastle and Gateshead'.
- 65. The Chronicle, 2 April 1842.
- 66. The Chronicle, 19 March 1842.
- 67. The Gateshead Observer, 19 March 1842.
- 68. The Journal, 18 June 1842.
- 69. J. Hodgson-Hinde, 11 March 1842, Hansard, 3rd Series, Vol. LXI, p.485.
- 70. Henry Liddell, 14 June 1842, Hansard, 3rd Series, Vol. LXIII, pp. 1560-1561.
- 71. 'Petition to Sir Robert Peel', 19 March 1842, United Committee of the Coal Trade: Minute Book (1840-1844), (Northumberland County Record Office), p.152.
- 72. Ibid.
- 73. 'Summary of Facts and Arguments brought by the Coalowners against the Coal Tax, 20 April 1842, United Committee of the Coal Trade: Minute Book (1840-1844), p.162.
- 74. The Chronicle, 9 April 1842. 'Petition from the Newcastle Town Council against the Coal Tax'.
- 75. Ibid.
- 76. The Chronicle, 18 March 1843, 'Petition from the Pitmen of the Tyne Collieries'. Cf. R. Challinor and B. Ripley, The Miners' Association: A Trade Union in the Age of the Chartists (London, 1968), p.60ff.
- 77. Letter to Lord Londonderry from R.W. Brandling (Chairman of the Coalowner's Ccmittee), 26 May 1842, United Committee of the Coal Trade, Minute Book 1840-1844, p.166a.
- 78. Lord Londonderry exhibited a surprising lack of sympathy for the opposition to the tax. See A.J. Heesom 'The Northern Coal-Owners and the Opposition to the Coal Mines Act of 1842', International Review of Social History, XXV (1980), part 2, p.266.

79. Bell was convinced that Peel had the best interests of the coal industry at heart for he was sure the Government was determined "to protect every branch of the commercial interests of the country", 14 June 1842, Hansard, 3rd Series, Vol. LXIII, p.1549.
80. Viscount Howick, 14 June 1842, Hansard, 3rd Series, Vol. LXIII, p.1549.
81. Hedworth Lambton, 14 June 1842, Hansard, 3rd Series, Vol. LXIII, p.1565.
82. The Journal, 12 February 1842.
83. The Chronicle, 12 November 1842.
84. The Chronicle, 14 January 1843.
85. Ibid.
86. The Chronicle, 22 October 1842.
87. The Journal, 7 January 1843. The Stalybridge disturbances of late July 1842 led to a brief period of unrest in the Midlands. Disruption to trade and damage to property was of a limited nature and the rapid dispatch of troops by train gave the authorities the confidence to regain control of the situation by the middle of August. See N. Gash, Sir Robert Peel (London, 1972), pp.343-344.
88. Greville, Op.cit., 16 February 1842, p.14.
89. The Budget of 1842 received a favourable press throughout the North. In line with the Newcastle press, the only critical comments were reserved for the income tax, although the Tory press outside the north-east was more enthusiastic in its reception than the Newcastle Journal. There was general support for the new tariff proposals. See Lucy Brown, 'The Board of Trade and the Free Trade Movement 1830-1842', (Oxford 1958), pp. 230-231.
90. See N. Gash 'Aristocracy and People'. p.224. Gash considers that the potential income tax payers dislike of the income tax was tempered with satisfaction at the new tariff proposals.

CHAPTER 4

Reaction to Peel's Budget

of 1845

Peel approached the budget of 1845 in more favourable circumstances than those surrounding his first great budget of 1842. There was a significant increase in revenue in several areas; a massive surplus of £5m was expected for 1845; and definite signs of economic rejuvenation and bouyancy were visible. Even the Queen in her opening address to parliament commented upon the "improved conditions of the country" and "the general state of domestic prosperity and tranquility".¹ However, major problems still had to be faced. There would be a significant decline in revenue for the two years after 1845. There was also the politically delicate question of the future of the income tax. Its continued life appeared crucial to a further round of tariff reductions. Peel had reversed the budgetary deficit left by the previous Whig administration and had gone some way to meet the concern shown by the Queen in the 1841 parliament that "adequate provision be made for the exigencies of the public services" and "to promote by enlightened legislation the welfare and happiness of all classes of my subjects".²

Statistical research³ would seem to support contemporary opinion that the country was experiencing an economic recovery. 1842 was a low point in the trade cycle: 1845 a significant peak. The rapid development of the railways acted as a major boost to the economy but foreign trade did undergo a period of expansion - the total value of both exports and imports within the period 1842-1845 increased by some 30%. If increased

consumption is a useful guide to improving living standards as regional opinion believed (see below), then there were solid grounds for optimism in the figures for the increased consumption of tobacco, tea, rum and wine. The amount of non-agricultural relief also shows a significant drop in this period of prosperity.

The press in Newcastle seemed agreed on the encouraging signs. The Journal was certain that Peel's economic measures had brought important social benefits in their wake, and that these accounted for the "... general amelioration of the condition and consuming capacity of the working classes".⁴ Overall, there had been a dramatic improvement in the nation's economy, whilst declining revenue and accumulated deficiencies "... have now been effectually got over; and the energy of the country is beginning to exhibit its active and buoyant character".⁵ Peel had shown that there was a viable economic alternative to reckless free trade - a lethal medicine in the opinion of the Journal: "We have seen too much of that dose already ... and shall avoid it as we would the deadliest poison".⁶

The Chronicle was less approving but could not deny the hopeful signs. The increase in the revenue returns announced at the beginning of the year was indicative of "the power of consumption on the part of the people of the country, ... the improvement of the state of trade since this time last year"⁷ and was further proof "that the country has been in a gradual state of improvement".⁸

There was less common ground between the Journal and Chronicle over the details of the budget - especially

the extension of the income tax. The Journal had praise for that "exalted statemanship which sheds order and method over matters of the utmost complexity".⁹ The retention of the income tax was essential for its abolition would "plunge the nation a second time into the embarrassment and perplexities attendant upon a deficient income".¹⁰ The Times found less to applaud than the Journal in respect of the fiscal measures but also welcomed the measures of tariff adjustment and the obvious benefits to the lower classes:

"It is decidedly popular in its tendency for, except in the matter of the income tax, it emancipates commerce at the expense of property and ostentatiously favours the poor".¹¹

The liberal press on Tyneside echoed the comments of the Times. The Gateshead Observer welcomed the removal of restrictions on trade and the consequent encouragement to commerce:

"The tendency of the Budget is in the direction of freedom of industry and commerce. Let us be thankful therefore, that we have got so much from a Minister of monopolist manufacture".¹²

The great advantage of the income tax was that it had released funds for the continuation of Peel's programme of free trade although the Observer still recognised the "gross inequalities"¹³ inherent in the imposition of this fiscal measure. In a rare moment of sympathy for farmers, the Observer commented upon "the scurvy treatment of the farmer"¹⁴ who was still forced to bear the burden of the tax in spite of considerable losses. The Tyne Mercury stressed the opportunity that was now provided for the abolition of other oppressive taxes. Its application to real property was "excellent in principle".¹⁵ Technical

adjustments, however, were needed to relieve the unequal burden of the tax.

The Chronicle adopted a more intransigent line and rejected outright Peel's economic package. The free trade measures in the budget were a cunning device to gain general acceptance for continued imposition of the income tax. Those who grudgingly supported the income tax in the hope that the lower classes would benefit were firmly reminded that "It is our firm belief that it is not possible to tax the rich without making the poor suffer".¹⁶ Such measures were designed

"to divert public attention from the two great evils which it seeks to perpetuate (namely the income tax and the monopoly of the West Indian sugar interest)".¹⁷

There was, however, general agreement amongst the "liberal" press over the likelihood of a permanent income tax:

"Everything tends to the belief that it is the settled purpose of Sir Robert Peel to change as much as possible our system of taxation from an indirect to a direct one".¹⁸

Again the Tyne Mercury saw Peel's aim as "fixing still more firmly the claws of the system upon the vital parts of the country".¹⁹ Their conclusion was supported by contemporary opinion outside the region. Greville states that his acquaintances saw the tax as a regular feature of fiscal policy:

"Everyone regards this measure as a great wedge thrust in and as the forerunner of still more extensive charges and above all that the income tax is to be permanent".²⁰

The Times, which regarded the tax as "inquisitional ... unjust and injurious" was also convinced of Peel's

intention: "It will be a perpetual tax".²¹

The issue of the sugar duties brought sharp divisions within the 'liberal press'. By the 1840's the debate over sugar centred on the question of the continued measure of protection which was necessary for the West Indian plantations. Protective or prohibitive duties were now seen as potential weapons to be used in the war against slavery outside the British Empire.²² Abolitionists advocated protection as a means of excluding the produce of slave labour from world markets and, thereby, encouraging the further decline of this institution. By 1843, an alternative policy of free trade was voiced at the so-called Second World's Anti-Slavery Convention in London. The 'free traders' stressed the point that free labour was cheaper and more efficient than slave labour and therefore, there was no reason to protect West Indian planters from the slave plantations of Cuba and Brazil. On the contrary, competition would force West Indian landowners to capitalize on their asset of free labour and drive slave produce out of world markets. Continued commercial contact with Brazil and Cuba was a more hopeful way of communicating the moral argument than isolation and was more consistent with Britain's continued trade links with the cotton states of the United States. Those who stood firm by the 'protectionist' line stressed the importance of maintaining a strict moral posture. Commercial isolation was a more potent weapon than the dubious policy of maintaining normal trading relations, in spite of the possible shortage of sugar supplies and consequent discomfort for the lower classes. As for the

inconsistency of accepting slave-grown cotton, the 'protectionists' rejected this spurious excuse for using slave-grown sugar, for there existed an alternative source in the West or East Indies.²³

This division over the strategy necessary to combat slavery, was reflected in the 'liberal' press in Newcastle. The Tyne Mercury accepted Peel's preferential duties as a practical solution to the vexed question of free trade and the importation of slave-grown products. Britain's unilateral declaration of emancipation had done little to encourage reciprocal announcements from the other colonial states. Therefore, it was imperative that the West Indian colonies receive some form of protection for they could not possibly survive against the competition provided by those producers who used slave labour:

"We have nearly ruined the colonies; but we are now further than ever from extirpating slavery from the world".²⁴

The Tyne Mercury stressed that slavery was a "detestable system" and pointed to the continued contradiction in government policy whereby Britain accepted American cotton and tobacco (both slave-produced) but rejected Cuban and Brazilian sugar.

The Chronicle, by contrast, was totally opposed to any policy which favoured the West Indian planters whose influence was seen to be at work over the Ministry. Such measures would deliver the home market "completely into the hands of the present monopolists to their great advantage".²⁵ The attempt to discriminate against slave-grown sugar and thereby to give an air of respectability

to the West Indian monopoly, was an example of the "imbecility" and "obstinacy"²⁶ on the part of the Ministry. The Gateshead Observer, ever vociferous against monopoly, supported the Chronicle. Although Peel's budget was generally well received (see above), there existed "sore blemishes":

"the concessions made to the colonial interest and the renewal of the income tax on its present unequal footing".²⁷

The Chronicle warned of serious social and economic consequences if Peel's shortsighted policy was pursued. The trade of the friendly state of Brazil would be driven away and there was no guarantee that slavery would be discouraged elsewhere. The West Indies could not meet the demand from Britain which would lead to a loss of revenue from indirect taxation, a consequent raising of income tax in compensation and higher sugar prices for the working class. Slavery would, in short, persist and possibly expand without Britain's restraining moral influence, and all for the sake of that "insatiable interest".²⁸

The Journal gave solid support to Peel over the sugar duties. An editorial stressed the two great virtues of the new preferential duties - the active discouragement of slavery by the increase in the sale of sugar produced by free labour; and secondly the continued protection afforded to colonial interests:

"Millions of worth of manufacturers are annually exported to the colonies; they are compelled to take what they require from us; they largely contribute to our wealth and greatness".²⁹

The Journal was convinced that Peel had balanced the needs of consumer and producer - the price of sugar would be lowered by some 20% and yet the colonies would not be ruined in the process. A bitter attack was made on all those free traders who opposed the new duties in the House. The Journal criticised their lack of patriotism:

"those who champion the principles of commercial socialism and cry down the rights and the vested interests of the British Colonies".³⁰

The tone adopted by the Tyneside press rarely aspired to the moral heights scaled by the Times. The Tyne Mercury concentrated on the impracticability of equalisation of duties; the Chronicle was outraged at the encouragement given to monopoly while the Journal praised the continued support offered to the colonies. The 'Thunderer' rose to the occasion and, while admitting the existence of inconsistency in Peel's commercial policies, urged the Prime Minister to persist.

"Be the crusade as visionary as that against the saracen, still it would be disgraceful to relinquish it".³¹

In answer to Russell's criticisms in the Commons, the Times reminded its readers that there were "inexhaustible supplies" in India which would hold prices down as demand rose. Britain must continue to lead the world against slavery for

"it is something to tell Brazil, the United States and Spain... what we think of their National morality".³²

Although deep divisions existed within the press over the question of the sugar duties, this was not reflected within the commercial community. After lengthy debate a petition calling on the government to reduce the duties was passed by the Newcastle Chamber of Commerce, in the February of 1845. There were differences of opinion but the discussion hung on commercial rather than moral considerations. Many members felt that the Chamber should address itself primarily to the campaign to abolish the export duty on coal.³³

The clamour against the coal tax had been sustained since its imposition in 1842. The fear that the city of London was proposing to add to the burden on the coal trade by taxing all coal entering the port at an additional 5 pence a ton, led to a unanimous call for the government to intervene on their behalf:

"The coal and shipping interests of the North of England have been labouring under great depression and are utterly unable except at serious loss to struggle against imports already existing on the article of coal".³⁴

Nicholas Wood, speaking in the Chamber on the eve of Peel's budget statement, reiterated one of the main arguments against the coal tax for he did not consider it a "legitimate source of revenue". He was also convinced that if it was repealed,

"the increase of traffic would so far counterbalance the effect of the repeal of the tax that the revenue would sustain no injury but would be improved".³⁵

Peel's decision to remove the export duty on coal was greeted with praise throughout the press on Tyneside. The Tyne Mercury praised Peel for his good sense in repealing the duty. The Journal was now singing a different tune to that in 1842 (see Chapter 3 above). United opposition to the coal tax in the area may well have influenced its editor for it now condemned the principle of taxing exports as basically "vicious and unsound".³⁶ The Gateshead Observer was in congratulatory mood and applauded Peel's wisdom for listening to the coal owners. North-East M.P.'s. echoed the comments of the editors. Matthew Bell, the Tory member for South Northumberland, John Hodgson-Hinde, who had been a Conservative but was now a Liberal member for Newcastle, and Viscount Howick, the vociferous Whig M.P. for Sunderland, all spoke on behalf of the coal interest in Parliament. Bell defended the coalowners who had been forced to raise their prices, even though this had adversely affected sales and thereby impaired the ministerial plan which had aimed at increased revenue. In 1844 he had warned that the lower price of foreign coal would lead to the loss of many markets. Likewise, he pointed to the increase in consumption of coke abroad, the drop in the export of round coals, the parallel increase in the production of less profitable small coals and the increased dependence of many mines on foreign markets. Expanding production abroad could have resulted in the permanent loss of markets for English trade.³⁷ Hodgson Hinde had also painted a gloomy picture of

approaching depression in the great northern coalfield if the tax was not repealed.³⁸

When the budget became law, the Chronicle looked increasingly to the Whig opposition for comfort. Russell's critical comments upon Peel's strategy drew praise from the editor. Russell's approach was considered to be devoid of all party or acrimonious feeling. The Whig strategy which paired unfettered industrial growth and the elimination of social injustice promised more beneficial results "than any of those high flown schemes of alleged philanthropy, which were laid before the House".³⁹ The Journal dismissed Russell's proposals as unsound. Peel had proved himself equal to the task of reviving the economy:

"Distress had vanished; abundance of employment prevails throughout the great seats of industry; revenue has recovered its vigour and buoyancy; and complaints of distress or lack of work are unheard of".⁴⁰

Apart from the Chronicle, there was a grudging acceptance of Peel's expertise with regard to financial and economic problems, Greville noted the same reaction to Peel's administration after four years:

"With all Peel's unpopularity and the abuse that is showered on him from various quarters, there is an admission, tacit or express, that he is the fittest and the only man to be Minister".⁴¹

One important aspect of the budget continued to generate much speculation - the total absence of any statement in regard to the operation of the corn laws and the continuing distressing state of the agricultural sector of the nation. If there was much for those

engaged in commerce and for the working classes, there seemed little comfort for the agriculturalists. Even the Gateshead Observer could sympathize with the plight of the farmers. Cobden forced a discussion on the corn laws when stressing the harmful nature of the protective duties as they stood.⁴² Peel was willing to admit the existence of distress in some districts but saw "natural causes" as the main factors - drought; failure of the turnip crop and the disappointing hay crop. He did not accept that the corn laws contributed to the distress.

"I do not think the agricultural distress can in any degree be fairly attributed to the operation of those laws introduced by me".⁴³

When pressed, he refused to consider a readjustment. "I cannot look to parliament for any further legislative interference".⁴⁴ This was his only comment on the laws and effectively closed the door for those who advocated increased relaxation or further protection as a solution to social distress.

Peel's ominous silence on the issue of the corn laws prompted many to speculate on the future of agricultural protection. The Chronicle was sanguine: "The days of the corn laws may, we suspect, be considered as numbered".⁴⁵ A change of course by the government was anticipated:

"It is probable that he may change his mind on one question as on the other".⁴⁶

Greville echoed the comments of the Chronicle:

"Everyone expects that he means to go on and in the end to knock the Corn Laws on the head and endow the Roman Catholic Church; but nobody knows how or when".⁴⁷

This view found much support in the summer of 1845.

Lord Broughton records a conversation with Sotheron in which the M.P. stated that the existing laws would not last "beyond the present parliament":

"Sotheron told me that he had no doubt the corn laws would soon be abolished and that it was his duty to warn his constituents and make them prepared for it".48

Broughton records that the Times had also interpreted Sotheron's speech as proof of Peel's resolve to repeal the corn laws.

The Chronicle detected a further shift towards Whig policies by the incumbent ministry as a means of enhancing its popularity:

"...the alteration of the corn laws is only another of the 'stolen' suits of the Whigs in which they mean some day to present themselves to their deluded followers".49

This interpretation of events was supported by Greville:

"The truth is that the government is Peel, that Peel is a reformer and more of a Whig than a Tory and that the mass of his followers are prejudiced, ignorant, obstinate and selfish".50

This apparent rift between Peel and the backbone of his party was viewed with relish by the Gateshead Observer and an anticipated confrontation was long seen as imminent:

"The sulky squires have not, as yet, screwed up their courage to a trial of strength with their master".51

Developments in Ireland and on the mainland of Britain during the summer of 1845 forced the issue of the corn laws to the fore of public debate. The impending

disaster (see Chapter 5) led to heated debates in the Newcastle City Council.⁵² Sir John Fife was only too aware of the gravity of the situation and he called on his colleagues to petition the Privy Council to open the ports to foreign corn. He considered that "the state of the harvest threatened the working classes with a scarcity which in some parts might lead to famine itself". Furthermore, he warned the Council that

"it was their direct and immediate duty to make every effort in their power to avert such a calamity".

Others, however, did not see the problem as quite so urgent, especially as they believed the government was in the process of considering the future of the Corn Laws. There was much support for the view expressed by Mr. Armstrong who objected to any "tampering" with the Corn Laws. In his opinion, the best policy was not to "interfere" with existing legislation but to "allow the public with regard to the potatoes to consume them now while they were fit for consumption". Some accepted that the crop was affected in some parts of the country but believed that the loss was no greater than in preceding years. Others doubted whether the Council could petition the Privy Council on such a vital issue without positive support from their constituents.

After lengthy and heated discussion, Sir John was able to win support for the following petition:

"with the prospect of distress amongst the humbler classes of society in the United Kingdom and especially in Ireland from the result of the late harvest, your memorialists are convinced of the expediency of opening the ports of the United Kingdom to the free importation of grain".

The debate within the City Council was to mirror that nationally in the winter of 1846. The demand for action from the government increased steadily throughout the autumn of 1845; but there were many who feared for the consequences of any "tampering" with the Corn Laws (see below). Economic, social and constitutional considerations were foremost in the minds of those who were to oppose Peel over the next six months.

Chapter 4: Reaction to Peel's Budget of 1845.

1. Queen Victoria, 4 February 1845, Hansard, 3rd Series, Vol. LXXVIII, pp.105.
2. Queen Victoria, 26 January 1841, Hansard 3rd Series Vol. LVI, pp. 3-4.
3. A.D. Gayer - W.W. Rostow - A.J. Schwartz, "The Growth and Fluctuation of the British Economy. 1790-1850" (Oxford, 1953), Vol. 1, pp. 304-340.
4. The Journal, 11 January 1845.
5. Ibid.
6. Ibid.
7. The Chronicle, 11 January 1845.
8. Ibid.
9. The Journal, 22 February 1845.
10. Ibid.
11. The Times, 17 February 1845.
12. The Gateshead Observer, 22 February 1845.
13. The Gateshead Observer, 1 March 1845.
14. Ibid.
15. The Tyne Mercury, 19 February 1845.
16. The Chronicle, 15 March 1845.
17. The Chronicle, 22 February 1845.
18. The Chronicle, 1 March 1845.
19. The Tyne Mercury, 19 February 1845.
20. Charles Greville, 25 February 1845, The Greville Memoirs, 1814-1860 (London, 1938), edited by L. Strachey and R. Fulford, Vol. V, p.205.
21. The Times, 17 February 1845.
22. See C.D. Rice, 'Humanity Sold for Sugar: The British Abolitionist. Response to Free Trade in Slave Grown Sugar', Historical Journal, XIII (1970), pp. 402-418.

23. C.D. Rice, op.cit., pp.412-413.
24. The Tyne Mercury, 5 March 1845.
25. The Chronicle, 22 February 1845.
26. Ibid.
27. The Gateshead Observer, 22 February 1845.
28. Ibid.
29. The Journal, 1 March 1845.
30. Ibid.
31. The Times, 27 February 1845.
32. Ibid. Russell accused Peel of inconsistency for he "had proposed measures which were beneficial to the country, but at the same time directly opposed to those declarations (i.e. before the 1841 election)", 28 May 1845, Hansard, 3rd Series, Vol. LXXX, p.1002.
33. The Chronicle, 1 February, 1845.
34. The Chronicle, 3 February 1844.
35. The Chronicle, 1 February 1845. Nicholas Wood had extensive interests in two industries prominent on Tyneside - coal and glass. He was partner in the coal mining enterprise of John Howes and he brought a share in Cookson's glass works in South Shields when it was sold in 1845. See N. McCord, North East England (London, 1979), p.44.
36. The Journal, 16 June 1845.
37. Matthew Bell, 29 April 1844, Hansard, 3rd Series, Vol. LCCIV, pp. 392-393.
38. Hodgson-Hinde, 4 June 1844, Hansard, 3rd Series, Vol. LXXV, p.253.
39. The Chronicle, 31 May 1845.
40. The Journal, 14 June 1845.
41. Greville, op.cit., 16 June 1845, p.219.
42. W. Cobden, 6 February 1845, Hansard, 3rd Series, Vol. LXIII, p.185-188. J. Bright, M.P. for Durham, stressed the many benefits that would come to both family and manufacturing communities if the corn laws were repealed. Hansard, 3rd Series, Vol. LXXVIII p.197-198 (6th February 1845).

43. Robert Peel, 6 February 1845, Hansard, 3rd Series, Vol. LXXVII, p.205.
44. Ibid.
45. The Chronicle, 31 May 1845.
46. Ibid.
47. Greville, op.cit., 21 August 1845, p.255.
48. Lord Broughton, Recollections of a Long Life (London,1911), Vol. VI, 1841-1852, p.152.
49. The Chronicle, 14 June 1845.
50. Greville, op.cit., 6 April, 1845, p.213.
51. The Gateshead Observer, 1 March 1845.
52. The Chronicle, 15 November 1845.

CHAPTER 5

The Corn Law Repeal Crisis of 1846

Peel's attitude to the Corn Laws and their long term future was still a matter of conjecture and speculation in the Tyneside press in the early weeks of 1846, a year which opened "most portentously"¹ in the eyes of the Chronicle. This atmosphere was precipitated by a revelation in the Times on December 4th that parliament was to be summoned in the first week of January and that:

"The Royal Speech will recommend an immediate consideration of the Corn Laws preparatory to their total repeal".²

Peel and Wellington, it was reported, were "prepared to give immediate effect to the recommendation".³ Although Peel wrote to the Queen and stated categorically that the claim by the Times was "quite without foundation",⁴ the Standard, the quasi-official mouthpiece of the government, was unable to contradict the Times without requesting a Privy Councillor to violate his oath".⁵

Nevertheless, the Standard rejected the story totally as mere guesswork. Greville was mystified, as was most of London society, but his diaries reveal the circumstances in which the claim of the Times had become public. Aberdeen, a supporter of free trade, had intimated to Delane, the Editor of the Times, that Peel had decided that the Corn Laws must go, that he would resign unless he had full cabinet support and that this support was forthcoming. Greville concluded that Aberdeen's leak to Delane was intended to assist his negotiations with the U.S.A. concerning the settlement of the Oregon issue for

"Nothing tends so materially to the prevalence of pacific counsels as an announcement that our Corn Laws are going to be repealed".⁶

A week of public debate and confusion was brought to an end with the official announcement of Peel's resignation on the 12th of December. Russell's attempt to form a government proved forlorn and Peel returned to office on the 20th of December. The damage, however, had been done. Greville noted the "rising wrath of the Tories and landlords at the bare suspicion of the intended act".⁷

In the north-east, the Journal was likewise convinced that Peel was intent on repeal and was set on a course

"inconsistent with his previous life, with his hitherto unstained integrity and with his lofty pre-eminence as a statesman, with his brilliant past services to the country".⁸

The Chronicle did not expect such a volte-face. The necessity of maintaining party unity would force him to reconsider his strategy:

"If he ever did contemplate a repeal of the Corn Laws, he had been obliged to modify if not abandon his project. We consequently anticipate no sweeping proposal upon the subject from him".⁹

The continuing dominance of the aristocracy within his cabinet and the intransigent attitude of the Standard vis-a-vis repeal were seen by the Chronicle as major obstacles to any radical plans on behalf of the government.

There was general agreement throughout the Tyneside press that repeal would lead to dramatic changes in the economic and social structure. The Journal forecast rural distress and social turmoil:

"Repeal the Corn Laws and forthwith the landed interest of the country is wounded to its vitals. Repeal the Corn Laws and forthwith two millions of peoples are thrown out of employment".¹⁰

The Journal stressed that the issue was basically a struggle between interest groups within the nation and warned of the threat posed to the landed class within the nation. The Chronicle saw a "dangerous collision" between rival interests in the nation, the agriculturalists and the manufacturers. The Tyne Mercury by contrast welcomed the social consequences that would follow in the wake of repeal; "everything seems to indicate and everyone to expect that we are on the eve of a great social revolution", it wrote. Repeal would usher in "the overthrow of aristocratic tyranny and the establishment of popular rights".

"The settlement of the free trade issue was crucial to the establishment of social justice...for its settlement must decide whether the masses of our fellow countrymen so long doomed to see their claims neglected and their interests unheeded, shall participate in the blessings of what has been so boastingly but so falsely denominated a 'paternal rule'".¹¹

The Queen's speech on the 22nd January gave little hint of the immediate future of the Corn Laws. She outlined the general nature of the government's free trade proposals while avoiding specific mention of the Corn Laws. The government's intention, it was announced, was to "maintain contentment and happiness at home by increasing the comfort and bettering the condition of the great body of my people".¹² If conclusive proof of Peel's intention to repeal was missing from the Monarch's address, his two hour speech which followed indicated to many that "he was resolved to go to all lengths in regard to the Corn Laws".¹³ The detailed explanation of his commercial proposals followed on the 27th January. The duties on a

vast range of articles were to be reduced including existing duties on a variety of imported foodstuffs. The House had to wait to the end of his speech for the proposals for corn. The duties would be reduced for three years and finally abolished in February 1849. The duty would stand at 10s when domestic corn was less than 48s a quarter diminishing to 4s when the price rose to 53s and above. So much for the 'bad news'. Peel hoped to win over the landed interest by assisting and encouraging the development of high farming techniques which he hoped would make protection an irrelevance. A nominal duty was proposed on maize and buckwheat which were important in the fattening of cattle. Reduced duties on linseed and rape cake would help to serve the same purpose. Similar reductions in the duty on grass and clover seeds would help to improve pasture. Financial compensation was held out in the shape of a comprehensive reduction in the burden of rates borne by the landed class following extensive reforms in highway and poor law administration.

A more tangible measure of financial compensation came in the form of the drainage loan. Two million pounds was made available. This modest sum was designed to encourage high farming for which Peel was a strong advocate¹⁴ and there was much support in Northumberland for more scientific farming practices. Sir George Grey called upon his fellow farmers to ignore the artificial protection provided by the Corn Laws and to strive to achieve prosperity by collective effort. At the dinner of the Northumberland

Agricultural Society in October 1845 he stated that success in farming was to be had through "the application of capital to land and by the zealous and enlightened co-operation of landlord and tenant, [whether] other aids were given or withheld". He believed that by this approach "the British agriculturalists would not only hold his position but be enabled to compete with all the world". He also stressed the importance of drainage "which he believed to be at the bottom of every improvement".¹⁵

This theme was taken up by others. J.E. Wilkinson of Dunston, speaking at Newcastle Farmers' Club in the same month stated that drainage was "the first step in all agricultural improvement and when combined with subsoil ploughing, with a tolerable share of management and industry was calculated to double the present produce of the soil and thus provide food for a growing population".¹⁶

Other factors were seen to be working to the farmers advantage as well. Mr. Thew, speaking at the Northumberland Agricultural Dinner, was confident that the growth of the railways would assist the agricultural prosperity of the Alnwick area. Likewise, high farming techniques if pursued with vigour would only increase this prosperity for "when he looked at the rapid strides which had been made in the improvement of agriculture he saw ample evidence to show that the plans originated by scientific men would lead to prosperity".¹⁷

Opinion within the House of Commons concerning Peel's proposals would appear to have been varied although

predictable. "The protectionists were angry and discontented, none reconciled...the Liberals generally approved though with some qualifications".¹⁸ The Tyneside press reacted in a broadly similar way. The Tyne Mercury responded to Peel's proposals on corn by describing them as "bold, comprehensive, liberal and commendable".¹⁹ The Chronicle made little comment and gave Peel no credit for his espousal of a measure for which they had made continual demands. The Journal regarded the measure as a social disaster: "God grant that its settlement may not be the unsettling of everything else".²⁰ Any government measure which weakened the economic and social position of the landed class was anathema to this class: "the guardians and protectors of the cause of native industry" who had "steadily fought the battles of the constitution and stood between the country and the revolutionary torrent".²¹ The Tyneside press concentrated more on the 'stick' and virtually ignored the 'carrot' offered to the agricultural sector. The Journal had swept aside all talk of compensation even before the proposals became public. The corn laws were seen as the corner stone to the nation's political and financial structure - remove them and the results would be catastrophic:

"The corn laws are a national question. The system upon which they are based affects the whole structure and foundation of a nation's credit and its capacity to support the weight of taxation that is necessary for the public service and, therefore, they can never be adjusted on any principle of compensation to a particular class".²²

The Journal never wavered from this dogmatic stance.

The role of Ireland and Irish distress were examined by the Tyneside press in an attempt to assess the reasons for Peel's decision to repeal the corn laws. The Chronicle gave equal weight to events in Ireland and the influence of the League:

"The 'mysterious' failure of the potato crop and the renewal of the agitation against the corn laws seem to have convinced him that the time was come when a different course must be pursued".²³

The Chronicle was unwilling to analyse the history behind conversion but seems to reject the view that repeal was an inevitable stage in his progress along the road to free trade. Commenting on Peel's attitude to free trade the Chronicle stated that "attributing his conversion to the effects of his own measure is well calculated to cast doubts on his sincerity".²⁴ The Chronicle found support from the Tyne Mercury. "The wind and weather" had wrought havoc on the English harvest during August and the unseasonal weather had no doubt led to a "lamentable deficiency of potatoes" in Ireland. At the same time, the League's campaign had proved overwhelming. "No earthly power can now withstand the object of the League".²⁵

Press comment on Tyneside reflected contemporary ignorance of the nature of the problems in Ireland. The official report issued by Lindley and Playfair (the scientific team sent by Peel) referred to "wet putrefaction" as a contributory cause of the potato failure and Lord Heytesbury, Lord-Lieutenant of Ireland, blamed the

"absence of sunshine".²⁶ Debate amongst botanists and chemists was having no greater success in isolating the cause of the disaster or in suggesting possible treatment of the potato tubers. Most theories concerning the origins of the 'disease' were wild guesses. Only a minority held that potato blight was caused by a fungus which was seen as a consequence and not the cause of the problem. The main features of the life cycle of the fungus were not established until extensive research in the 1860's. It would take another forty years before potato spraying in Ireland with a sulphur-based mixture developed in the 1880's was general practice".²⁷

Opinion varied concerning the scale of the problem as well as its origins. The Journal was convinced that those who favoured repeal were making the most of the disaster to assist their cause:

"The potato rot has been greatly exaggerated; and there is little to fear of the famine which was the chief groundwork for the vicious free trade measures of this ministry".²⁸

Reports from Ireland illustrated the

"False and fraudulent character of the pretence that the corn bill was in anyway connected with the prevalence of the pressure of Irish distress".²⁹

The work of the League was instrumental in Peel's obsession with repeal:

"What is Sir Robert Peel but the tool of the League, the disciple of Cobden, the follower of Bright, the companion of Hume and Villiers".³⁰

Those who witnessed the development of the disaster first hand were convinced otherwise. In the autumn of

1845, Irish landowners warned of the probable magnitude of the failure of the potato crop and a deputation of the leading landowners called on Lord Heytesbury to adopt measures "to avert calamity". After initial investigation Dr. Playfair expressed a similar concern. They warned Peel in a letter: "We are confident that the reports are underrated rather than exaggerated"³¹ and the final report of November 15th confirmed that 50% of the potato crop of Ireland was lost. Greville noted the growing political crisis at home:

"That the mischief in Ireland is great and alarming is beyond a doubt and the government is full of alarm while every man is watching with intense anxiety the progress of events and inquiring whether the corn laws will break down under the pressure or not".³²

The confusion over the scale of the problem is to be explained in some part by the unequal impact made by the blight. The south and south east were most severely affected; the east and north east were less so, for there was a better balance in these regions' economy. Therefore, the failure of 1845 was to some degree partial. Effective and rapid relief eased the situation. Elsewhere hopes that the blight would not return were dashed when the crop of 1846 proved a total failure. Peel was aware himself of a possible "tendency to exaggeration and inaccuracy in Irish reports"; but was prepared to go ahead with plans for "removal of impediments to import" which he regarded "as the only effectual remedy".³³

The Journal persisted in the accusation that much political capital was being made from the Irish drama by those who had ulterior motives:

"misrepresentations by the free traders were for no other purpose than to compass their own selfish ends".³⁴

The Chronicle did not subscribe to these views and was concerned for the suffering in Ireland and took the reports at face value:

"Many are reduced to a state of great destitution and it is to be feared that in a very short time immense numbers will be reduced to a state of absolute famine".³⁵

The Chronicle saw repeal as the crucial remedy for the alleviation of the famine and upbraided those who allowed discussion on the Irish coercion Bill to take precedence over that for the alteration of the corn laws. This view was challenged by the Journal. Repeal would provide little immediate relief, for abolition would only become effective in 1849 and protection actually worked to Ireland's advantage because the mainland provided a ready market for her cattle and corn. The complexity of the situation in Ireland probably helps to explain the apparent anomaly that, during the period of distress 1845-1846, vast quantities of cereals and livestock did in fact leave Ireland. The relative prosperity of certain regions unaffected by the blight resulted in the uninterrupted pattern of normal trade. Even in those areas where the blight had struck, various factors would have made it both impossible and impractical to attempt to base famine relief on cereal distribution.³⁶ The Journal saw the root cause of much of the distress linked to a lack of employment:

"Scantiness of employment, lowness of wages and the absence of anything like the compulsory provision for the support of the poor".³⁷

There existed some common ground between the Journal and the Chronicle on this point. The Chronicle saw the provision of employment as crucial to long term relief. Much of the blame for the inadequacy of existing relief arrangements was laid at the feet of the landlords who had failed to co-operate with the government in providing effective relief. The complicity of the landowners in the social distress of the 1840's was at the centre of much political debate. The Devon commission established by Peel to examine the Irish land system in 1841 revealed a complex situation in regard to the attitude shown by landlords to their tenants. Negligence, exploitation and sheer callousness were seen to exist side by side with sound, paternalistic management. The report drew the attention of the government to good practice where it existed, especially in Ulster, and recommended the recognition in law of payment of compensation for permanent improvements made by tenants. The harmful practice of indefinite subdivision was condemned; but it was stressed that this practice often existed against the wishes of the landowner. Little was done to follow up this report. Opposition within the Lords blocked a timid compensation bill.³⁸

As it became increasingly obvious that Peel would be able to find the support necessary to drive his bill through the Commons, the Journal called into question the right of the House of Commons to repeal the corn laws:

"Is the present House of Commons morally and constitutionally a fitting body for repealing the Corn Laws; it being admitted on all hands that a great majority was placed there for the distinct purpose and with the distinct understanding of resisting such a measure".³⁹

Turning its wrath upon the individual M.P's., the Journal questioned their conduct in regard to their constituent s' wishes:

"...to turn around and vote in the teeth of their constituents' wishes and their own recorded opinions, appears to us... to take advantage of a temporary trust and to betray the interests they were deputed to protect and shelter".⁴⁰

An examination of the 1841 election reveals that there is much to be said for the view that the electorate linked the Tories with a policy of protection. The Whigs had attempted to label Peel as an enemy to free trade and, therefore, they hoped to gain the votes of the urban areas. Of the 45 manufacturing seats the Conservatives won only 13 - the same figure as in 1835.⁴¹ Therefore, as Professor Gash admits, "the cheap bread cry had failed to have any obvious effects in the towns".⁴² Miss Kemp has shown that there was a variety of issues at stake in the election. The 'condition of England' question was as vital an issue as the corn laws and the Tories were seen as more likely to pursue more rigorously policies which would attract even radical support -

factory reform, improvement of urban conditions, alterations to the existing Poor Law legislation.⁴³ The Tories actually made a net gain of 7 in the large boroughs of 10,000 or more inhabitants, capturing the liberal strongholds of the City and Westminster. The Whigs' attempt to force Peel into an uncompromising position as defender of the Corn Laws had backfired. Even though Peel may have hoped to broaden the base of his party, his strength and that of his party's still lay in the counties where the Tories made a net gain of 22.⁴⁴ It was here in traditional Tory heartland - the counties and the small boroughs - that it was expected of the government to protect the Church and the Corn Laws. The Journal was, therefore, convinced that "The sitting members were sent expressly to uphold the corn laws"⁴⁵ and the present parliament could not, "without an open breach of faith",⁴⁶ sanction such a repeal. The Journal was therefore emphatic that M.P.'s. representing protectionist constituencies but sympathetic to Peel's proposals on corn, should quit their seats. Many did: Sturt retired from Dorset; Henniker from East Suffolk; Dawmay from Rutland; Charteris from Gloucestershire. Freemantle, sitting for the protectionist pocket borough of Buckingham, had likewise felt it his duty to take the Chiltern Hundreds, and Gladstone decided to vacate his seat at Newark following his acceptance of office. Both men found their protectionist patrons would not support their conversion to free trade, though Gladstone justified such aristocratic 'dictation'

by claiming that he considered it improper to support Peel's Government while receiving the patronage of the Duke of Newcastle who supported protection. The Journal was convinced that the public supported the protectionists in their struggle:

"The country is with them and would show itself had it the opportunity of giving effect to its opinions on the hustings".⁴⁷

By-election results gave the government very little encouragement that the public supported their plans for repeal. Captain Rous who came into the Admiralty largely on the assurance that he could retain his seat at Westminster, was defeated heavily in February although the successful candidate was another free trader.⁴⁸

Lincoln, who replaced Freemantle as chief secretary for Ireland, lost the consequent by-election in South Nottinghamshire after a bitter contest in which his father used all his influence against him.⁴⁹

The Chronicle considered the consequences of Peel's failure, however unlikely, to carry the House or the electorate over repeal and the possibility of a government by the 'country party'. Such a government would, in the opinion of the Chronicle, lack substantial electoral support: "of the futility of such hopes it is not necessary at present to speak".⁵⁰ It seemed unlikely to the Chronicle that all 112 Free Traders would be replaced by Protectionists in an election. In fact, the Chronicle seems to have judged the public mood better than the Journal. Of the 119 Free Trade Conservatives in the parliament of 1846, 88 were again candidates in 1847

and 78 re-elected. In addition, there were another 35 conservatives newly elected who expressed support for Peel's Free Trade policies.⁵¹ Another stumbling block to an effective government by the country party was the question of leadership and the lack of administrative experience within such a group. Stanley had shown reluctance to be involved in such a movement against Peel although he was the natural choice as leader of the Protectionists. In his letter of explanation to the Queen following his decision to retire from the Cabinet over repeal, he stressed his determination to minimize "The excitement which he cannot but foresee as the consequence of the contemplated change of policy". He had resigned rather than bear the burden of the "sacrifice of his own convictions",⁵² but he assured the Queen that he could more usefully assist his Monarch and the country out of office. When he did finally accept the unofficial leadership of the Protectionists in parliament, he again underlined the natural weakness of a party which lacked "public men of public character and official habits in the House of Commons, to carry the government".⁵³ His reluctance to assume the leadership may have been a result of the unsavoury, personal nature of the struggle waged by Bentinck and Disraeli with such ferocity. During the Corn Law controversy, Stanley confined his activity to the House of Lords and made little attempt to interfere with Bentinck and his parliamentary committee. There seemed, also, little likelihood of the country party sustaining their opposition to Peel after the repeal

crisis. Many half-hearted protectionists might drift back to Peel's leadership, having satisfied the demands of their constituents. The case of Charles Adderley illustrates the possible ephemeral nature of the cohesion of the protectionist group. Adderley supported Peel's proposals to extend the grant to Maynooth and the government's education scheme. He deserted Peel over the Corn Bill in 1846 but rejoined him during the second reading of the Irish Coercion Bill.⁵⁴ In fact, this latter division was seen by many as a vote of no confidence and some M.P's. returned to vote for the government. The Chronicle pointed to the divisions within the protectionists that a spell in government would deepen. Such a Protectionist government had less chance of withstanding "the pressure of events than those who are now so abused".⁵⁵

Throughout the great debate of 1846, the 'liberal' press looked to the Anti-Corn Law League to apply much of the pressure upon the legislature and great hope was placed on the effectiveness of the League's campaign. The Tyne Mercury was convinced that the overwhelming influence of the League would carry the day for repeal. "No earthly power can now withstand the object of the League".⁵⁶ This new-found power and strength of the League may well have derived from its campaign of registration, namely the creation of forty shilling freeholders entitled to vote in the next general election. This campaign, begun in 1844 was an attempt by the League to carry the battle into the counties.⁵⁷ Although challenged in the courts in the

autumn of 1845, the League eventually won judicial support for its new strategy in January 1846. By then, the league had already scored a major success in the by-election in South Lancashire (July 1845) and early in the following year scored another in the West Riding. Both were key target areas for the League, for if it could take such heavily populated constituencies as these, such methods, determinedly applied, could yield many other shire areas with fewer electors. The Times was obviously impressed with the fortitude of the leadership of the league and the tactics they were employing:

"Wherein does the vital strength of the league consist? In the unbending, unyielding, implacable resolution, fixed purpose and unyielding demands of its chief men. This is the secret of its success".⁵⁸

The League's aim was to intensify their campaign of registration throughout 1846 ready for the 1847 election. Ironically, the Chronicle and the Tyne Mercury appeared to have lost little of their confidence in the effectiveness of the League's activities. The Tyne Mercury was not optimistic concerning an appeal to the country if the Corn Bill was rejected. For the supporters of free trade the result would be "unsatisfactory"⁵⁹ owing to the electoral influence of the protectionist peers. The Tyne Mercury had long campaigned against the claims of Lord Londonderry to 'dictate' to the North Durham and Durham City constituencies, even when they incidentally seemed to promote the return of a prominent free-trader, as happened with the return of John Bright for Durham in

1843.⁶⁰ Now it assumed (with others) that the ultra-Tory Londonderry was an example of protectionist peers whose influence should be done away with. The League's registration campaign would serve a greater social end by removing those who "would prop up the tottering fabric of monopoly".⁶¹ The Tyne Mercury urged free traders to acquire forty shilling freeholds in the local area but also to inundate the House of Commons with petitions in favour of repeal. Such work was "unspectacular", but vital if Peel's bill was to survive in the Commons.⁶²

The Journal was aware also of the potential social consequences of the new strategy of the League. At the inception of the 40s freeholder campaign, the Journal described the League's methods as a "conspiracy against electoral freedom."⁶³ As the campaign gathered momentum in the early months of 1846, it warned its readers that, if successful, the league would:

"effect a transfer of political power from owners of property and those who have the greatest stake in the country to the rabble who shout and applaud the orators of the league".⁶⁴

In spite of the judicial ruling (see above), the Journal left its readers in no doubt that the new forty-shilling freeholders were, in the opinion of its editor, "fraudulent creations of the League".⁶⁵ The lesson was clear to those who opposed the "well knit forces" of the League and, from the spring of 1845, the Journal urged protectionists to meet the League head on with a "bold and unflinching front". The Journal considered it most distasteful for "gentlemen" to adopt such tactics but "the country members have no alternative".⁶⁶

In spite of the promptings of the Journal the north east did not respond enthusiastically to the protectionist cause. Agricultural Protection Societies were formed in Northumberland and Durham to marshal agricultural opposition to Peel. Response to their exhortations was limited and they contributed little to the national campaign.⁶⁷ The Duke of Northumberland had called passionately for the establishment of such a society north of the Tyne in 1844.⁶⁸ He feared that the rhetoric of the League would set labourer against farmer and farmer against his landlord. The abolition of protection to agriculture would limit the farmers' profit and prevent continuing improvements on the land. The work of the League had "sadly paralysed the improvements of the land by the farmers".⁶⁹ Furthermore, free trade in corn would remove more land from tillage and therefore lead to unemployment and an increase in parish rates. The Northumberland Agricultural Protection Society was formed in Morpeth the following month and support around the county was soon forthcoming. In Hexham, a resolution warning of the dangers to the nation from free trade in corn was overwhelmingly supported for "Repeal of the Corn Laws would be highly prejudicial not only to British Agriculture but to the nation at large".⁷⁰ Echoing the fears of the Duke of Northumberland, the Chairman of the Hexham meeting, a Mr. Langhorn, perceived the socially divisive nature of the aims of the League: "They are endeavouring to rend assunder the bonds of society - to place tenant against landlord and the peasantry against both ... who were

really their natural protectors and truest friends".⁷¹
 The inhabitants of Alnwick organised a petition to be presented to both houses of parliament but primarily designed to appeal to the Lords. It called upon parliament to resist the attempt to reduce any further the protection afforded to agriculture for this would have "disastrous" consequences.⁷²

However, support for protectionism within Northumberland obviously fluctuated. By the August of 1844 the Tyne Mercury reported that only three attended one of the meetings of the county's Agricultural Protection Society. Summing up the reasons for this the Tyne Mercury confidently explained:

"The farmers really wish the trade thrown open, that they may have a certainty. The mercantile classes are to a man Corn Law Repealers. The people will not stir an inch to help aristocratical monopoly".⁷³

The Journal called upon Northumberland to respond more promptly to the protectionist cause and warned that the county may have received a very dubious honour - "The only county in England without an Agricultural Protection Society".⁷⁴ Petitions were not enough in the eyes of the Journal: "the sons of Northumbria must rally around the standard",⁷⁵ and follow the example set by their fellow farmers in Durham where more interest in protection was certainly generated.

The inaugural meeting of the Durham Agricultural Society was held in Durham City in February 1844 with the Duke of Cleveland as President and Lords Londonderry,

Ravensworth and Eldon as Vice-Presidents. Between one and two thousand were reported to have attended and the Journal proudly noted that the meeting represented Whigs, Tories and Radicals.⁷⁶ The new members were given a detailed analysis of how repeal would affect farms in the country and within a week the Provisional Committee for the Society had prepared a petition which opposed the repeal movement and in particular stressed the united nature of farmers, landowners, artisans and traders in the county.

Interest in the protectionist cause was sustained well into 1846 and, with the announcement of Peel's conversion to free trade, a truculent meeting of the Agricultural Protection Society of Durham was addressed by the Duke of Cleveland. He stated that he had been opposed to the 1815 Corn Law which allowed prices to soar to levels which had produced famine. Likewise he would support repeal if it could be proved that the 1842 adjustment had benefited only "the landed interest and those connected with the land". However, he feared for the welfare of the tenants and labourers if repeal was effected. His main argument concerned national security - should Britain depend on foreign supplies of corn? He called for increased action on the part of the society, for they had been obviously "betrayed" by the one whom they had installed to protect agriculture.⁷⁷ In the face of such determination, Henry Liddell the County M.P. attempted to trim between repeal and protection, stating that he would support a repeal bill if the measures were "calculated to promote the interests of the nation:

oppose them if they appeared to have a contrary tendency".⁷⁸ He offered an alternative strategy to oppose the repealers - an extension of the principle of the Canadian Corn Law whereby the free importation of corn was extended to all colonies.⁷⁹ The resolutions of the meeting showed that the members stood behind Cleveland and the mood of angry determination matched those shown by outraged agriculturalists throughout England.⁸⁰ The meeting supported the view that successful high farming was linked to protection: "the protection afforded by the present corn law is not more than sufficient to keep up the progressive improvements in agriculture". The government was warned that it would be inconsistent to abolish protection for corn while retaining other duties. Lastly, the meeting endorsed the growing feeling that the existing legislature should maintain the 1842 Corn Bill "until by an appeal to the constituencies of the United Kingdom a national opinion is again elicited on the subject", and members were asked to work to see returned only those members of parliament "who will maintain protection to its present extent".⁸¹

If protectionists in County Durham were organising themselves to oppose Peel, there is also evidence of much activity on Tyneside by those free traders in support of the new corn bill. Several petitions were organised in the area. Eight thousand signatures appeared on one calling for the total and immediate repeal of corn duties which was sent to Henry Liddell for presentation to parliament.⁸²



A similar petition was sent from North Shields to the Lords for presentation by Earl Grey. This requested the Lords to pass the bill "in all its integrity with as little delay as possible".⁸³ The town council of Gateshead gave solid support to the Corn Bill in a petition which expressed the conviction that

"the adoption of free trade in corn will not only promote the interests of all classes of her Majesty's subjects but will contribute more powerfully than either fleets or armies to the permanence of peace and the consequent happiness of nations".⁸⁴

The cause of free trade seems to have fared better on Tyneside and in the North East than protectionism. The organisation was more effective and the response enthusiastic. The Times saw the failure of the protectionist cause to drive home its message nationally as a result of the weakness of the movement:

"disorganisation and dissension among the country gentlemen, indifference on the part of others".⁸⁵ This is certainly true of the North-East. Lord Londonderry was indifferent to the cause of protection to agriculture as most of his English estates were pastoral, and much of his income derived from coal. He even opposed the request from the Durham Agricultural Protection Society (of which he was a vice-president) that his son, Lord Seaham, should be present at a protectionist meeting.⁸⁶

By May 1846, the Journal was conceding that the battle to retain the corn laws was lost in the Commons. Much editorial space was devoted to vituperative attacks

on those who had assisted Peel in his objective: "a league of conservative recusants, Whig - Radical bidders for popularity and manufacturing speculators".⁸⁷ The Cabinet was described as a "base coalition" whose measures smack more strongly of "Cobden and Russell than of Peel and Goulburn".⁸⁸ The Chronicle saw the government supporters in much the same light:

"a party of men holding no great principle in common and having no tangible object save the gaining of power".⁸⁹

The Journal now looked to the Lords for a last ditch stand:

"We trust the Peers will not in this hour of peril shrink through any dread of false imputations or foul slanders from the free discharge of their high legislative functions".⁹⁰

The attitude displayed by the Lords to the Whig reforms of the 1830's may have given the Journal much hope that they would resist repeal in a determined fashion. In fact, the Reform Bill crisis had led to a perceptible change in the Lords' attitude to government legislation. Before 1830 they had shown a willingness to work with the Commons in support of government measures. Following the twin crises of Catholic Emancipation and Parliamentary Reform, the Lords displayed an increasing resistance to unwelcome measures and they placed many obstacles in the way of the Whig reforms, especially those concerning Ireland and the Church, where their interests were particularly affected. The Ultra-Tories in the Lords played a leading role in this resistance to the increasing

demands of the populace. Peel maintained an uneasy relationship with the Ultra-Tories, but he recognised the importance of retaining some control over them and therefore, was ready to consult them when the need arose.⁹¹ Wellington found it increasingly difficult to restrain them⁹² and their intransigence to Whig legislation led to growing calls for reform of their constitutional power. Peel recognised this and he feared for the social consequences resulting from their alienation from the Commons and the public.

The Journal pinned much of its hopes on the strength of the Ultra-Tories in the Lords who espoused the cause of protection: but it was the Whig Lords who held the decisive card. The Ultra-Tories had hoped for an alliance with the Whig Lords on the basis of the former Whig policy of a fixed duty. This alliance never materialised. Russell warned his colleagues in the Lords that any attempt to alter the Corn Bill was against his wishes and, if the Government resigned, then he refused to continue as leader.⁹³ This virtually assured the success of the bill in the House of Lords. The Journal was not surprised at their action:

"Whig Peers, hungry for office will to a man, we know speak and vote in support of Peel's suicidal policy for they are paving the way for their own speedy return to Downing Street".⁹⁴

"The allurements and chances of office" would overcome principle. "Protectionists at heart and advocates in private of a fixed duty on corn, they nevertheless vote to a man with the minister".⁹⁵

If the Journal had hoped for a stand on principle

from the Lords, it was sadly mistaken. Votes in this Chamber proved to be as unpredictable as those in the lower house. Here also was to be found a

"Weather-cock majority who at the beck and bidding of the Ministers, renounce the principles of their whole lives and lend themselves to a course of policy of which they know nothing".⁹⁶

The Journal saw Peel's control of executive power and patronage and the extraordinary "tact of the minister" as a real danger to the legislative independence of the House of Lords. Peel was unable to command a majority in the upper chamber but by use of Proxy, he had established that any attempt to alter the bill in committee - a tactic favoured by the protectionists - would be checked.⁹⁷

By contrast, the Chronicle was only too ready to praise the action of the Lords and to defend their position in the constitution. The Standard had adopted a line similar to that of the Journal, condemned the vote for repeal by the Peers as motivated by gain and had called for reform of the Chamber on the elective principle. The Chronicle's reply to the Standard's accusation dispelled the theory that the majority for the government was composed of 'pauper' lords hoping for gain. Its editorials even praised the lords, their vote had certainly averted a class war in the country, a fear Peel had expressed himself in his final speech on repeal on May 15th.⁹⁸ Its praise extended even to a laudable comment concerning the dignity of the Ultra-Tory Peers in contrast to the shameful display of their colleagues in the lower house. So we are presented with the anomaly of the liberal press defending the status of the lords and the Tory press

turning on the upper chamber.

Common ground was found in an assessment of the part played by the Duke of Wellington in the passage of the Corn Bill in the Lords. His efforts to control the Ultra Tories throughout the 1830's had met with limited success. Their determination to defend the Corn Laws drove a greater wedge between the Duke and themselves, although his sympathies lay with their point of view. He strongly criticised their attempt to gain access to the sovereign to present their views. Wellington believed that it was the duty of the Lords to co-operate with the other branches of the legislature or risk alienation from public opinion and support. His speech to the Lords on the 28th May followed these lines. Its impact is debateable. One modern biographer considers the peroration crucial in that it "routed Stanley" and his forces.⁹⁹ Lord Broughton placed little importance upon it, describing the speech only as "strange".¹⁰⁰ Perhaps, as Professor Gash suggests, Peel's threatened use of the proxy and the Whig support for the bill in the Lords decided the day.¹⁰¹ The constitutional implications of the speech, however, were not lost on the press. Both the Chronicle and Journal condemned the Duke's comments - the Chronicle was convinced that they were "highly unconstitutional". Such views would devalue the role of the Lords and it was certainly "going against the record"¹⁰² to insinuate that the Queen's speech indicated her own political beliefs. Little support was also found for Wellington's theory that support should be given to the executive through a sense of loyalty.

Even though the battle for the corn laws appeared to have been lost in the Lords, the Journal clung to the slender hope that it might yet be rejected at the third reading and, therefore, an election would be necessary in which there would be a "fair stand up fight between free traders and protectionists".¹⁰³ The Journal was anything but sanguine concerning the consequences following the success of repeal - Peel's administration would be brought to a sudden end; Russell and the Whigs would assume office; the experiment in free trade would continue and their own short period in government would lead to increased domestic problems and disastrous consequences for colonial trade. In particular, a "weak truckling and unprincipled administration"¹⁰⁴ would be unable to restore order in Ireland. The Whigs only thought was to gain office.

"On the very threshold of power...(they) think nothing of how best they may enter (the treasury). What is it to them that murders and butcheries abound in the sister Kingdom".¹⁰⁵

The Journal had viewed with alarm the increasing disorder in Ireland and had called for the rapid passage of the coercion Bill in the commons to enable the "suppression of Thuggism".¹⁰⁶ But the protectionists had joined the Whigs by exploiting the opportunities provided by the bill - firstly, to delay the Corn Bill and then to bring down the government. The Whigs were not alone in making political capital out of the deteriorating situation in Ireland.

The Chronicle was far more optimistic concerning the consequences of repeal and it looked forward to a future

where social and political harmony would be the key. The main cause of hostility between "landed, trading and operative" classes would be removed. Trade in corn would now operate according to the same laws as any other trade and therefore, the corn laws could no longer be held responsible for any adverse trends in trade. The Chronicle assured its readers that the "trade in corn will soon right itself" and "that prices will vary little from what we have for some time experienced".¹⁰⁷ The working classes would be offered a 'fair prospect' of employment and a reasonable standard of living. Above all, the Lords' decision to pass the Corn Bill would remove the possibility of class war. Even the Journal had to admit that the whole crisis had yielded some benefits. Although the country party had failed in its struggle against repeal, it had destroyed "the false glitter and polish which belong to the cry of cheap bread".¹⁰⁸ Also, the national debate had focused the attention of the public upon the merits and disadvantages of measures of "vital interest to the future welfare of all classes".¹⁰⁹

Following the defeat of Peel over the Irish coercion Bill (25th June) and the subsequent resignation of the government the next day, the press turned its attention to analysis of the demise of Peel's administration. The Journal identified three basic factors - the association with the League had destroyed cabinet unity; the adoption by the government of the "principles of others" and the growing existence of a gulf between the government and public opinion, an

"irreconcilable antagonism between measures of the ministers and the opinions of the great body of the nation".¹¹⁰

The Chronicle saw the immediate reasons for Peel's resignation in a slightly different light - the impossibility of prolonging a system for sugar with cabinet support when such a system had been abandoned for corn. Peel's record on sugar was inconsistent to say the least. In 1841 he had opposed the proposed Whig reduction on sugar duties on the ground that insufficient imperial preference was offered to compensate plantation owners with rising labour costs. In 1844 he had modified his position. If the government was to retain the income tax it would need to offer the bulk of the population a reduction in taxation elsewhere. The amount of imperial preference proposed in 1844 was considered insufficient by many in the conservative ranks and Peel faced a revolt and defeat on his proposals through an amendment to the level of protection for colonial sugar. Amidst much bitterness, Peel eventually had his way.¹¹¹ Graham was aware of the problems associated with the sugar duties and the possible fatal consequences for the administration. The attitude of the country gentlemen was vital. Their acquiescence allowed the lowering of duties in 1845: their opposition (following the Corn Bill in 1846) and the threatened opposition of the Whigs would prove insurmountable in 1846. Peel was aware of this and accepted that defeat on the Irish Bill would signal the end of his administration.

The Chronicle had some harsh words for the protectionists in the Commons, and the treatment of their former leader: "forgetful of all party association and principle" they had struck down the ministry "which they had found would

no longer submit to them".¹¹² Peel's illustrious career was not, the Chronicle forecast, at an end. "Ever ambitious for power", he was sure to return to office again although not, it was hoped, at the head of a "party of discordant parties"¹¹³ whose object, while in opposition, would be the destruction of a ministry and little else.

Press judgement in Newcastle on the nature of Peel's premiership following his resignation was hardly complimentary. The Chronicle saw his record as, at best, inconsistent, and at worst unprincipled:

"Has he not ever been remarkable for defending as long as he could every question entrusted to him and when no longer able to do so, to propose himself its repeal".¹¹⁴

The Chronicle gave Peel little credit for placing the interests of the country above his party and concentrated on his political skills rather than his statesmanlike qualities.¹¹⁵ The Journal was predictably savage in its treatment of Peel. The abandonment of principles which he had held for thirty years had brought:

"The severance, in consequence of the treachery of that minister, of a previously great and powerful party...he has done that which in private life would render him a subject for contempt and distrust for the rest of his days".¹¹⁶

In spite of the derogatory nature of the Journal's comments concerning Peel's behaviour, there was general agreement with the Chronicle over the accusation by Bentinck that Peel was in some part responsible for Canning's death. Both rejected out of hand this charge.¹¹⁷

The Journal in one of its final editorials on the collapse of the Government, contrasted the triumph of the Whigs after the crisis of 1832 and the demise of Peel's

government. Grey's ministry had been enhanced by its success - Peel's had been destroyed. By 1850, Peel was to achieve this same reputation of service to the nation hardly detectable in the comments of the press in Newcastle in 1846. The nature of his death had much to do with the growing reverence for the former P.M. Lord Broughton had no liking for Peel and was only too ready to believe the Canning allegation;¹¹⁸ but even he was forced to admit, as Peel lay fatally injured, that Peel's acts "were dictated by a most conscientious sense of duty".¹¹⁹ Queen Victoria perhaps pinpointed the re-appraisal of Peel after his death when she stated to the King of the Prussians that "his value is now becoming clear even to his opponents".¹²⁰

The extent to which Peel deserves to be admired as a man who put country above party and sacrificed himself for the nation's well-being must remain a matter of prolonged debate.¹²¹ There was little in the North East press in 1846 to suggest that Peel was viewed in such terms.

Chapter 5: The Corn Law Repeal Crisis of 1846

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2. The Times, 4 December 1845.
3. Ibid.
4. Sir Robert Peel to Queen Victoria, 4 December 1845, 'The Letters of Queen Victoria' Vol II 1844-1853, (London, 1908) edited by Benson & Esher, p.48.
5. The Standard, 4 December 1845. The Standard's failure to publish an authoritative denial of the Times's story only helped to confirm its revelation.
6. Charles Greville, 5 December 1845, 'The Greville Memoirs' (Macmillan, London 1938), edited by L. Strachey and R. Fulford, Vol. V. p.246.
7. Ibid.
8. The Journal, 3 January 1846.
9. The Chronicle, 2 January 1846.
10. The Journal, 17 January 1846.
11. The Tyne Mercury, 21 January 1846.
12. Queen Victoria, 22 January 1846, Hansard, 3rd Series, Vol. LXXXIII, p.5.
13. Lord Broughton, 22 January 1846, Recollections of a Long Life VI, (London 1911), p.160.
14. See D.C. Moore, 'The Corn Laws and High Farming Economic History Review' (1965-66), Vol. XVIII, p.p. 544-561.
15. The Chronicle, 11 October 1845.
16. Ibid.
17. Ibid.
18. Greville, op.cit. 28 January 1846, p.289.
19. The Tyne Mercury, 4 February 1846.
20. The Journal, 7 February 1846.
21. The Journal, 31 January, 1846.
22. The Journal, 17 January 1846.

23. The Chronicle, 30 January 1846.
24. The Chronicle, 20 February 1846.
25. The Tyne Mercury, 21 January 1846. See Below for the influence of the league on the political crisis of 1846.
26. Quoted in C. Woodham Smith, The Great Hunger (London 1979), p.42.
27. See P. Bourke 'The Scientific Investigation of the Potato Blight', Irish Historical Studies, Vol. XIII (1962), p.26-32.
28. The Journal, 14 March 1846.
29. The Journal, 18 April 1846.
30. As late as May 1846, Lord George Bentinck, the Protectionist leader in the Commons, was denying that famine existed in Ireland. See Hansard 3rd Series, Vol. LXXXVI p. 290.
31. Dr. Lyon Playfair to Sir Robert Peel, 26 October 1845, 'Sir Robert Peel' (London 1899), Vol. III, p.225.
32. Charles Greville, op. cit., 16 November 1845, p.235.
33. Sir Robert Peel to Sir James Graham, 13 October 1845, Parker, op.cit., p.223.
34. The Journal, 7 March 1846.
35. The Chronicle, 17 April 1846.
36. See Woodham Smith, op. cit., p.71.
37. The Journal, 9 May 1846.
38. See Report from Her Majesty's Commissioners of Inquiry into the state of the Law and Practice in Relation to the Occupation of Land in Ireland. Parliamentary Papers, 1845, Vol. XIX-XXIII.
39. The Journal, 14 February 1846.
40. Ibid. See also B. Kemp, 'Patriotism, Pledges, and the People', M. Gilbert (ed), 'A Century of Conflict 1850-1950: Essays for A.J.P. Taylor' (London 1966)
41. See. I. Newbould, 'Sir Robert Peel and the Conservative Party 1832-1841: A Study in Failure' English Historical Review, Vol. XLVIII (1938), p.557.

42. N. Gash, Sir Robert Peel, (London 1972), p.265.
43. B. Kemp, 'The General Election of 1841' History, Vol. XXVIII (1952), pp. 146-157. See also E. Jaggard, 'The 1841 British General Election: A Reconsideration', Australian Journal of Politics and History, Vol. XXX (1984), pp. 99-114.
44. Newbould, op. cit., pp. 529-557.
45. The Journal, 21 March 1846.
46. The Journal, 21 February 1846.
47. The Journal, 7 February 1846.
48. See E.M. Spiers, 'Radical General: Sir George de Lacy Evans 1787-1870' (Manchester 1983), p.127.
49. See J.R. Fisher, 'Issues and Influence: Two by-Elections in South Nottinghamshire in the mid-Nineteenth Century', Historical Journal, Vol. XXXIV (1981), pp. 155-166; 'The Limits of Deference: Agricultural Communities in a mid-Nineteenth Century Election Campaign', Journal of British Studies, Vol. XXI (1981), pp. 90-105.
50. The Chronicle, 27 February 1846. Stanley had, of course, already rejected the possibility in December 1845. See F.A. Dreyer, 'The Whigs and the Political Crisis of 1845', English Historical Review, Vol. IXXX (1965), pp. 514-537).
51. See J.B. Connacher 'The Peelites and the Party System: 1846-1852' (Newton Abbot, 1972), p.30.
52. Lord Stanley to Queen Victoria, 11 December 1845, Benson and Esher, op.cit., p.54.
53. Quoted in R. Blake, 'The Conservative Party from Peel to Churchill' (Collins 1979), pp.63-64.
54. See A.J. Heesom, 'Two Perennial Groups Labelled Whig and Tory: Parties and Party Leaders in Early Victorian England', Durham University Journal (1973) pp. 85-87.
55. The Chronicle, 24 April 1846. See also R. Stewart, 'The Politics of Protection: Lord Derby and the Protectionist Party; 1841-1852'. (Cambridge, 1971).
56. The Tyne Mercury, 21 January 1846.
57. See J. Prest, 'Politics in the Age of Cobden (London, 1977), pp. 72-102.

58. The Times, 16 January 1846.
59. The Tyne Mercury, 28 January 1846.
60. See. D. Large 'The Election of John Bright as member for Durham City in 1843', Durham University Journal (1954), pp. 17-23.
61. The Tyne Mercury, 11 February 1846. Londonderry in fact supported Corn Law repeal. See below.
62. See. H.D. Jordan, 'The Political Methods of the Anti-Corn Law League', Political Science Quarterly Vol. XLIII (1927), pp. 58-76. N. McCord, 'The Anti-Corn Law League' (London 1953) esp. pp. 163-187.
63. The Journal, 26 October 1844. See also M.L. Tancred, 'The Anti-League', Historical Journal, III (1960), pp. 162-183.
64. The Journal, 10 January 1846.
65. The Journal, 7 March 1846.
66. Ibid. See also M.L. Tancred, op.cit., pp. 162-183.
67. See I.J. Nossiter, 'Influence Opinion and Political Idioms in Reformed England, 1832-1874.' (Hassocks, 1975), p.34.
68. The Chronicle, 24 February 1844.
69. Ibid.
70. The Journal, 13 April 1844.
71. Ibid.
72. The Journal, 17 February 1844.
73. The Tyne Mercury, 7 August 1844.
74. The Journal, 24 February 1844.
75. Ibid.
76. Ibid.
77. The Journal, 17 January 1846.
78. Ibid.

79. See N. Gash, *Aristocracy and People*, op. cit., p.225. In 1842 the Conservative government had promised the Canadians free entry of their corn into Britain if they could guarantee the illicit exclusion of American corn. The promise was honoured in 1843 although this outraged many agriculturalists for it seemed to weaken even the modified protection offered by the Act of 1842.
80. See. N. Gash, *Aristocracy and People*, op. cit., p.240.
81. The Journal, 17 January 1846.
82. The Chronicle, 13 February 1846.
83. The Chronicle, 22 June 1846.
84. The Chronicle, 6 February 1846.
85. The Times, 11 February 1846. The same inability of gentry and tenants to co-ordinate their response to legislation was apparent in meetings concerning income tax. (See above Chap. 2).
86. See Nossiter, op.cit., p.75.
87. The Journal, 16 May 1846.
88. Ibid.
89. The Chronicle, 22 May 1846.
90. The Journal, 7 March 1846.
91. I. Newbould, op. cit., pp.533-538.
92. Ibid.
93. See N. Gash, Sir Robert Peel, op.cit., p.592.
94. The Journal, 23 May 1846.
95. The Journal, 30 May 1846.
96. The Journal, 6 June 1846.
97. See N. Gash, Sir Robert Peel, op.cit., pp.591-2.
98. Sir Robert Peel, 15 May 1846, Hansard, 3rd Series, Vol. LXXXVI, pp. 703-704.
99. E. Longford, Wellington: Pillar of State (London 1972) pp.367-368.

100. Lord Broughton, op.cit., p. 174.

101. N. Gash, Sir Robert Peel, op.cit., pp. 592-3.

102. The Chronicle, 5 June 1846.

103. The Journal, 13 June 1846.

104. Ibid.

105. Ibid.

106. The Journal, 11 April 1846.

107. The Chronicle, 5 June 1846.

108. The Journal, 30 May 1846.

109. Ibid.

110. The Journal, 27 June 1846.

111. See R. Stewart, 'The Ten Hours and Sugar Crises of 1844', Historical Journal, XII (1969), pp.35-57.

112. The Chronicle, 3 July 1846.

113. Ibid.

114. The Chronicle, 19 June 1846.

115. See N. Gash, Sir Robert Peel, op.cit., pp.711-5.

116. The Journal, 27 June 1846.

117. Canning's premature death in 1827, was in Bentinck's view, a result of Peel's attitude to him. Peel had refused to serve in his cabinet for he opposed Catholic Emancipation, a cause close to Canning's heart. Disraeli supported Bentinck in the Commons by claiming that he had proof that Peel had in fact admitted to Lord Liverpool P.M. in 1825 that he was prepared to accept emancipation and that Peel had admitted as much in a Commons speech in 1829. Disraeli claimed the Times as his source; but the allegation was proved to be unfounded. N. Gash, Sir Robert Peel, op.cit., pp. 595-598.

118. Lord Broughton, op.cit., pp. 177-178.

119. Lord Broughton, op.cit., p. 259.

120. Queen Victoria to the King of the Prussians,
6 July 1850. Benson and Esher, op.cit., p.225.
121. See. Boyd Hilton, 'Peel: A Reappraisal'
Historical Journal, XXII, No. 3, (Sept. 1979),
pp. 585-614.

CHAPTER 6

The Financial and Commercial Crisis of 1847:

The Bank Charter Act of 1844 revisited.

The roots of the commercial crisis of spring and summer 1847 are to be found in the previous three years.¹ The separation of the functions of the Bank of England into issuing and banking departments² had allowed the latter to trade more freely in the open market and had ushered in an era of cheap money. Interest rates set by the Bank were consistently lower than the market rate and this encouraged much speculation especially in the development of the railways. This orgy of speculative activity passed its peak in July 1845 and was succeeded by a period of contraction in the money market. Two factors led to the prospect of a considerable drain on bullion well into 1846: the anticipated heavy importation of food to alleviate the famine in Ireland; and the threat of a poor harvest in 1846. This led to increasing credit restrictions in the financial world, and the impact of this was felt even more keenly in Lancashire which faced a shortage of imported cotton and a consequent depression in the textile industry. The Bank of England was not able to accommodate the money market as bullion reserves fell. In the first three months of 1847 its reserves fell from £13.4m to £9.3m. Bank rate was increased and the Bank announced that it would limit the bills it would accept. This helped to stabilise the money market for a time. Meanwhile, wheat prices began to soar and in May 1847 reached 112s per quarter, a figure unequalled since 1817. Corn dealers bought heavily to guard against the future. Supplies however, responded well to demand and corn prices began to tumble especially as there were

encouraging prospects for the harvest in 1847. By August many corn dealers in London and Liverpool were ruined and provincial banks, especially in Lancashire, put pressure on the Bank of England to assist them. When the Bank announced that it was unable to do this, there was a run on the banks in both Liverpool and the City and the Royal Bank of Liverpool closed its doors on October 18th. During the ensuing panic, the Bank of England raised interest rates to check the heavy demands made upon its rapidly diminishing reserves. The Government was finally forced to intervene to protect the whole financial structure of the commercial world. On the 25th October the Bank published a letter from the Treasury, signed by Charles Wood, The Chancellor, and Lord John Russell, the Prime Minister, which authorized the Bank to provide additional loans on condition that a minimum rate of 8% was charged; and allowing the Bank to exceed the terms of the 1844 Act if necessary. The effect was instantaneous. Confidence returned to the money market and suspension of the act became unnecessary.

The commercial crisis of 1847 concentrated much criticism upon The Bank Charter Act of 1844 and brought to the fore once again the debate over the question of a convertible currency. The press in Newcastle saw the legislation of 1844 as the villain of the piece. The Journal was particularly harsh when assessing the harmful operation of the act. As gold was required to pay for the import of corn from the U.S.A. following the poor harvests, paper money would become scarce and the pressure on the money market would grow to a "storm of which we have heard the first opening gusts only".³ The need in the spring of 1847 was for an increase in the money supply which would enable increased circulation. The credit restriction imposed by the Act would intensify the crisis.

"The inherent vice of Peel's Bill is the attempt to cut down credit of which paper money is the representative sign, to a certain square rule proportion with the existence of metallic values in the Bank of England and in the banks of Scotland and Ireland but nowhere else".⁴

The Journal seized upon another feature of the act which was considered to contribute to the developing crisis - the dogmatic emphasis within the legislation which was placed on the immutable relationship between paper currency and gold. This ignored the true resources of a great empire:

"The safety or solvency of a great empire is made to depend not upon its capital and productive energies but upon the question whether there shall be precisely as much gold in banks as shall answer for all its bank notes afloat".⁵

In fact, the Journal had altered its position considerably from 1844. It now saw the Act's main

virtues as serious weaknesses. The tight restrictions to credit imposed by the limitations on note issue were welcomed in 1844 as vital if reckless speculation was to be checked. Other means of credit were available (bills of exchange, promissory notes) and these would more than compensate for the necessary restrictions imposed. In 1844, the Journal fully supported Peel's strongly held views on currency convertibility and the stable economy: "there can be no sound system of banking on any other principle".⁶ Three years later the Journal was prepared to reject this view and appeared to be adopting a view closer to the theories of Attwood - the amount of money in circulation should depend less on the bullion in the banks than upon the productive capacity of the country.⁷

The Journal had accepted in 1844 that there were intellectual limitations to Peel's understanding of the currency question:

"of an inconvertible paper currency he has no comprehension....His notions on the question of currency are of a very primitive kind and consequently vary as wide as the poles from those of the Attwood School. Sir Robert Peel is a statesman of an eminently practical turn of mind. With mere abstractions or idealities he rarely condescends to deal".⁸

In 1844 this practical approach to the complicated issue of currency was hailed as a strength of Peel's armoury in tackling the banking question: in 1847 his lack of grasp of the technicalities and finer intellectual points was seen as a serious weakness in his strategy. The Journal took to task those who had so foolishly placed their confidence in Peel's financial expertise.

"The high reputation... which has long been assigned to Peel for profundity of acquirement in financial and economic science till now has left him without a substantial opponent in the legislation. It was a reputation so deeply ingrafted in the public opinion out of doors, too, that it seemed like high treason to question its super pre-eminence".⁹

Recent studies bear out this contemporary view that Peel was not an intellectual master of the currency debate.¹⁰ Although the legislation which effected a resumption of cash payments was credited to Peel in 1819, there is strong evidence that Peel leaned heavily on the views of Huskisson and knew little about the currency question in his capacity as Chairman of the Committee which tackled this problem.¹¹ Even Professor Gash, while pointing to Peel's "own long experience of currency investigations"¹², has to admit that Peel over simplified the relationship of note issue to financial stability and, because of his economic prejudices, "contemptuously" dismissed alternative theories of the anti-bullionists. The Journal pointed to the influence of other financial experts in the drafting of the Bank Charter Act and Professor Gash again shows how selected banking officials told Peel what he wanted to hear.¹³

The repeal crises had obviously soured the views of the Journal and there was some glee in its prophecy that the Act of 1844 would prove to be at fault in the existing commercial crisis. The regulations governing the fiduciary issue would have to be suspended and Peel would be forced to recommend such action to the Whig government which placed so much confidence in his ability. The Journal however, had learnt to live with Peel's inconsistency:

"We have seen how the immaculate author of the sliding scale has dealt with his own offspring".¹⁴

The Chronicle had been far more critical of the Bank Charter Act in 1844. Two features of the legislation were singled out; the restrictions imposed on note issue could lead to a harmful contraction of circulation; and the act placed far too much power in the hands of the Bank of England and ultimately the Government:

"It certainly seems too great a power to place in the hands of any single corporation, especially one under the influence of the government".¹⁵

The events of the spring of 1847 were in the opinion of the Chronicle, ample proof of the weakness of the legislation of Peel's administration. "From the act itself we never anticipated anything but mischief".¹⁶ It was a "cumbersome and pedantic measure" impractical to operate, likely to increase distress and it would restrict circulation when this should have been expanding.

A more serious commercial crisis occurred in the late summer and autumn of 1847. The Journal isolated three separate reasons for the financial problems of the autumn - the fierce competition from foreign traders resulting from free trade policies; the failure of exports to expand to keep pace with imports and the consequent "efflux" of gold; and the restrictions placed on the money supply by the Act of 1844. The Journal was convinced that it was not alone in pointing to the harmful operation of the Bank Charter Act.

"The Bank Charter act has much to answer for connected with these disastrous stoppages. City men know and feel that to be the case".¹⁷

In fact, the Journal considered that Peel's economic legislation between 1841 and 1846 was in large part contributory to the crisis of 1847. The forelorn hope

of a rapid growth in exports occasioned by removal of tariff barriers had not materialised. Gold had flowed out to pay for agricultural produce following the poor harvests of 1845 and 1846. However, his free trade policies had not yielded a compensatory rise in exports: not "one additional piece or twist of ribbon or calico".¹⁸ The repeal of the corn laws had not led to a massive increase in trade, a fact which, in the opinion of the Journal exposed the massive assumptions of the League. Three other causes popularly held to be responsible for the crisis were dismissed out of hand - over production, over speculation, and railway expenditure.

Charles Greville attests to the variety of theories advanced concerning the panic on the money market but records that public opinion was convinced that railway speculation was responsible for the crisis:

"Men are indeed pretty well agreed as to the cause of the present distress and in admitting that it is the result of over speculation, and of the Railway mania which fell upon the country two years ago".¹⁹

The Bank Charter Act of 1844 was likewise viewed as exaggerating the crisis:

"The country at large or a great proportion of it attributing to his financial measures the distress by which all are afflicted or endangered".²⁰

Contemporary opinion was certainly convinced that over speculation on the railways was the main factor contributing to the financial disasters of 1847. There was an underlying antipathy to speculators of all kinds for their activities were seen as a threat to traditional social values²¹ and the scandal associated with many of

the bogus schemes of 1845 convinced the public that their suspicions were well founded. Halevy placed great emphasis on the part played by railway speculation. Such activities absorbed much needed capital. The 'dearth' of corn and cotton in the period 1845-1846 accelerated the flow of bullion from the country, and the inflexibility of the Act of 1844 prevented the Bank of England from responding accordingly.²² More recent studies have placed less emphasis upon the alleged obvious culprit, railway speculation.²³ The impact of over speculation in railway investment and the cotton shortage of 1845-46 seem to have been incidental to the problems of the money market in 1847. In fact, the continuing growth of the railway network encouraged economic growth in iron and steel, and absorbed labour which otherwise would have placed increasing strain upon poor rates. There is no solid evidence that other industries were starved of working capital. The adverse balance of payments which resulted from food shortages certainly led to the drain of gold in the early part of 1847. George Hudson, the "Railway King", and since 1845 M.P. for Sunderland, had made all these points while defending himself and his fellow railway directors against charges of wanton speculation in 1846.²⁴ The Bank of England was forced to tighten its discount policy which led to the spring crisis. It was the unexpected response of corn supplies to higher prices

"that burst the speculative boom in wheat and touched off the explosive chain of bankruptcies and failures" in the late summer of 1847.²⁵

The Journal was dogmatic in its criticisms of the Act and rejected many contemporary assessments of the causes, stressing that the legislation of 1844 was solely to blame as the crisis returned in the summer:

"None of the stock in trade of alleged causes can with propriety be assigned for the state of things".²⁶

Companies would have to borrow at ex~~or~~bitant rates "while the currency is kept in its present restricted condition".²⁷

In its haste to lay responsibility for the crisis upon the operation of the act, the Journal swept aside the theory that railway speculation was primarily to blame. This contrasts strongly with Greville's description of the trend of public opinion in 1847. In the Journal's opinion investment in railways had played a part in the rise of interest rates but such investment would not have caused such

"violent and sudden shocks that disturbed the money market and frightened capitalists".²⁸

The evidence against the Act of 1844 was overwhelming for no special conditions existed in the autumn of 1844 conducive to a panic - there was an abundant harvest; trade was uninterrupted by wars; and industrial relations were stable. Trade had expanded since 1844 (although here the Journal seems to have admitted, unwittingly, that Peel's free trade strategy had worked!) and the money market required an "unusually large application of money".²⁹

The Chronicle was undecided on the part played by 'railway mania' and the continued investment in railways. In May of 1847, it had called for suspension of all new bills in Parliament but it had opposed the termination of

works then in progress. The social and economic consequences were factors to be considered - companies would incur expenses without compensation and suspension would be less injurious to the community. Parliament had in fact attempted to distinguish between genuine schemes and those purely speculative. The Chronicle showed in its editorials some appreciation of the part played by railway construction in the economic development of the region. However, it welcomed the example set by the Directors of the Newcastle to Carlisle Railway. Their decision to postpone all further developments was to be applauded for "it would be well if, where practicable, such creditable examples were followed by others".³⁰ In the calmer atmosphere following the peak of the crisis, the Chronicle again warned of the dangers attached to a sudden halt to railway investments. The Journal also was only too aware of the increased demands on the rates as a result of the consequent unemployment of the navvies.³¹

The Chronicle had always viewed the Bank Charter Act of 1844 in an unfavourable light³² and continued to blame the existing legislation for prolonging the crisis.

"The present pressure may be in some if not a great degree attributable to the Act of 1844. We never liked this act".³³

The Chronicle again stressed the inflexibility of the system under which the Bank of England was forced to operate:

"It must continue to tighten the screw whatever may be the consequences as its bullion increases".³⁴

There was one useful result of the legislation - it had brought a halt to wild speculation:

"Everyone will restrain his transactions more within his capital and a more healthy tone will be infused into trade".³⁵

Much of the criticism of the Chronicle was reserved for the directors of the Bank. While accepting that they were working within severe restrictions imposed by the legislation, it was obvious to the Chronicle that they had failed also to judge the demands of the money market. Fluctuating interest rates had aggravated the situation - "such blowing hot and cold cannot be right".³⁶ The Chronicle looked favourably upon the suggestion that the government should impose a minimum or 'moderate' rate of discount.

The Journal exonerated the directors of the bank and rebuked those who, after the crisis attempted to make the directors the scapegoats of the crisis. It concentrated its attack upon the legislation of 1844 and upon those in the Whig Government who stood by it. The Whig Chancellor had come to rely upon the financial 'expertise' of Peel and Peel had shown support for the Whig administration since his fall much to the disappointment of the younger Peelites.³⁷ Wood had referred to Peel on major items of finance and it seemed most unlikely that a major reassessment of the Act would come while this relationship existed. The Journal called for energetic intervention by the government as the crisis deepened but despaired of action from the "drowsy chancellor" with his "do-nothing" determination.³⁸

"Peel's Bill is the great cause of all the mischief and embarrassment in the commercial world and ought to be repealed. Minor causes no doubt operate concurrently but Peel's Act is the Monster Evil".³⁹

The Journal, no doubt incensed by Peel's 'betrayal' over Corn Law Repeal, was now only too ready to view the Bank Charter Act as the source of all the financial problems of 1847.

Greville fully supported the continued resistance of the Whig government to calls for interference and applauded its resolution in the face of mounting pressure.

"My own belief is that this will prove a sound resolution and that they would only have aggravated the evil by interference".

In stark contrast to the views expressed by the Journal in Newcastle, while he acknowledged that "half the commercial world attributes the distress and danger" to Peel's bill, Greville saw Wood's attitude as "stout and resolute from the first, and quite determined not to consent to any interference".⁴⁰

The commercial community on Tyneside was convinced that the legislation of 1844 was the cause of most of the financial problems which beset them in the autumn of 1847. Mr. Mitcalfe, a speaker at a public meeting called in Newcastle to consider "the present alarming state of the monetary and mercantile affairs of the Kingdom", stated that "the existing state of things is attributable to the Bank Charter Act".⁴¹ He considered that the country could not survive without a circulation of

£25,000,000 and that, in his opinion, "the restrictive Act which prevented that amount ought ... to be immediately suspended". He was strongly supported by all at the meeting, variously described as coalowners, merchants, manufacturers and shipowners. A petition was drawn up for presentation to Russell and his ministers. In the most uncompromising language, it drew the attention of the Prime Minister to

"the injurious effect produced by the present banking and money laws of this country which tend to make money unduly plentiful in times of adversity thereby producing undue fluctuation and extensive evil to legitimate commercial enterprise and industry".

The meeting called on Russell and Wood to "take the present banking enactments into consideration with a view to the relaxation of the same" and warned the government of the consequences of the legislation of 1844: injury to imperial trade; damage to the mercantile, mining and manufacturing interests of the north of England; restriction of money for legitimate business and, inevitably, unemployment.

Matthew Bell, who had assumed the chair at the meeting, had already written to Wood on behalf of the coalowners. They were much alarmed at the state of the money market especially as such large sums were needed for wages paid each fortnight. Wood's reply showed little sympathy for the coalowner's position. He blamed financial imprudence as the source of their problems.

"I am afraid that nothing in my power can prevent the consequences of over-speculation and mistaken calculation in trading matters and there is nobody who thinks that there is any want of circulation or extra-ordinary pressure on the money market for houses in good credit".

A meeting with Wood finally materialised. Bell, now armed with the above petition, made several points in answer to Wood's criticism: trade was sound in the region; there had been little speculation in railways (he claimed) and no large scale speculation in corn in the north east; the area was heavily dependent on the London financial markets for money to pay the workforce in the iron as well as the coal industry. Government intervention was vital if the "confusion and disturbance" which had occurred in the financial crisis of the spring was to be avoided.⁴²

Wood remained unmoved and had continued to point to the "erroneous" financial calculations of the region's merchants. His stance received support from the Times which criticised the Newcastle deputation for seeking simple solutions. The instant printing of money was not the answer to the deepening financial crisis, in the opinion of its editor:

"They seem to imagine that as their own neighbourhood is an inexhaustible mine of coals, so somewhere in the south, within reach of Parliamentary boring and shaft sinking, there exists an equally inexhaustible vein of money".⁴³

The Times was also critical of the region's commercial community and saw its merchants and industrialists as responsible for their own problems.

"Sir Charles tells them a very grave truth when he says that their pressure arises from over speculation and is beyond the reach of any merely financial relief".⁴⁴

The deputation to Wood was also reproached from another quarter much closer to home. In his own uncompromising style, Lord Londonderry took the opportunity to attack the smaller collieries in the region where, in his opinion injurious speculation had been rife. Trade amongst the well established collieries was, he considered, most prosperous and the petition and deputation was unrepresentative of the views "of large proprietors only those of viewers and gentlemen who have speculated largely in shares in the numerous small collieries which have recently opened out in Northumberland and Durham".⁴⁵ He was generous in his attitude to Peel's Bill which he considered "properly framed to prevent the bolstering up of fictitious credit"⁴⁶ and he warned the Whig Government not to give way to the clamour from the merchants of Newcastle - soup kitchens and relief committies would suffice to meet the expected social problems.

Londonderry, however, remained in a minority of one, and the majority of Tyneside's coalowners and merchants continued to urge action on the government. Increasingly there were part of a steadily growing campaign, both public and private, which put pressure on the government to suspend the Bank Charter Act.⁴⁷ A similar deputation was sent from Liverpool calling for a temporary relaxation of the act and warning of the economic and social consequences if their pleas were ignored. E.S. Cayley, the M.P. for the North Riding of Yorkshire, wrote to Russell and took him to task for his unwillingness to face the social disaster looming:

"it is surely time the government should interpose or Parliament meet. The exemplary patience of the suffering classes - sufferers from faults of the legislature rather than their own - deserves some better return than a reckless reliance on a pedantic dogma".⁴⁸

In spite of initial differences concerning the provisions of the banking legislation of 1844 and its responsibility for the crisis of 1847, there was a remarkable degree of unanimity in the press of Tyneside when the virtual suspension of the Act was announced on October 25th. The Journal wrote triumphantly that

"the incubus is thrown off; the prestige of inflexibility is over; the country no longer groans under a law that stints its currency".⁴⁹

The Whig government was still culpable of delaying so long in reaching this decision:

"The suspension of Peel's Bill at the eleventh hour after so much loss had been incurred, so much suffering produced and mischief done woefully shows the recklessness and cruelty of their do-nothing policy".⁵⁰

Nor did the government's intervention go far enough in the opinion of the Journal. The new discount rate of 8% was considered excessive and was an obvious means of carrying the extra profit to the public account, a tactic characteristic of the Whigs. The relief offered was too meagre, too scanty and hampered with crippling conditions to ensure any long term financial stability. This was a theme taken up by the Chronicle which also welcomed the suspension of the act. The Government would have to take further measures to prevent a recurrence of such a crisis. The Chronicle's editorial stated emphatically that it would

"not be sorry to see not only a virtual abandonment of that measure but an actual abandonment".⁵¹ The Chronicle was not able to support the Journal over the new high rate of discount for it did have the virtue of restoring confidence. The act of 1844 was an "unnecessary" one for it had attempted "to regulate that which would regulate itself if left alone".⁵²

Both were forced onto the defensive by the comments of the Times. Ministerial interference with statute was condemned out of hand as constituting "a formal act of treason against the majesty of the legislature".⁵³ The Times went on to a cruel attack on those who supported and encouraged the government to act in such arbitrary a manner for this might be the first of many interventions:

"The enthusiasm with which the exhibition has been received might be considered to justify a repetition of the performances".⁵⁴

The Journal, ironically, was prepared to defend the Whig ministers on this point. Their action was acceptable

"if (the Act) wanted a safety valve and would require the interference of the government as soon as its working came to be tested by any difficulties".⁵⁵

The Chronicle replied to the Times' attack in an equally savage way accusing it as having some stake in maintaining a high rate of discount and thus "to screw the utmost farthing in the shape of the discount out of the needy".⁵⁶

Parliament reassembled in November in order to discuss the urgent crisis. The Whig government expected an onslaught from those who, from genuine concern or, in order to take advantage of the situation, would attack their handling of the crisis. In the debate on the government's record

during the crisis, Wood managed to deflect criticism away from the Act: Peel accepted the necessity of suspension but continued to stress that the directors had mismanaged the control of credit.⁵⁷ The Whig government acceded to an enquiry by a Parliamentary Committee which Wood as Chairman stressed represented all interests and was finely balanced between known critics and defenders of the legislation of 1844.⁵⁸ The report of the committee acquitted both the bank and the Act. The blame for the crisis was laid upon certain factors: the deficiency of the harvests (and consequent balance of payments problems) and cotton supply; the diversion of capital to the railways and undue extensions of credit in certain areas of trade. The directors of the Bank of England were indirectly advised to recognise their public responsibilities as well as their private interests, but no modification of the Act was recommended.⁵⁹

Even before Parliament had begun to tackle the question of identifying the causes and pre-conditions of the crisis, there was much heated debate in the press concerning the means by which a similar crisis could be avoided in the future and financial stability could be ensured. The Times was convinced that, by whatever means necessary, capital should not be swallowed up by railway development in the future. The higher rate of discount would discourage further investment but the Times reminded its readers that it had always attempted to persuade governments to take necessary action:

"We did our best with two successive Ministries to induce them to apply more timely checks when millions of capital too hastily sunk in the earth, and now unavailable perhaps for some years, might have been saved".⁶⁰

The Chronicle agreed and was ready "to assent to the proposition that it is desirable that it (railway expenditure) should be brought under proper regulation in the future"⁶¹; although it hoped that such intervention would be unnecessary if the railway boards would impose their own restrictions on expenditure. A too sudden halt, however, would lead to much "sorrow and suffering" and drastic social consequences. The Journal also warned of the problems that would arise from a rigid limitation on railway building although its concern was more mercenary than that of the Chronicle.

"Neither the interests of the revenue or the peace of the country are at all likely to be promoted by hoards of unemployed "navvies" who, working or idle, must be fed, no matter what may be the price of the Exchequer Bills or the rate of interest."⁶²

The Times rejected the idea of "an advance on the national credit". This would be "tantamount to giving up the principle of a convertible currency" and would only lead to another chain of events which would lead to disaster:

"It will only quicken speculation, aggravate expenditure, multiply and confirm impossible engagements, complicate the railway question with free contracts and thus bring us at no long interval to a still more terrible crisis".⁶³

Pressure had in fact mounted on the government from those who supported the Birmingham school of theorists, followers of the ideas of Thomas Attwood. He had attacked Peel's Bill of 1819 and the principles of convertibility upon which it was founded.⁶⁴ By the means of that Bill, Attwood believed that Peel had brought about in England "more misery, more poverty, more discord than Atilla the Hun".⁶⁵ The legislation had severely limited consumption and production. Attwood advocated a flexible system whereby the money in circulation should depend on the productive

capacity of the country and not upon the gold stocks of the Bank of England. His followers took the opportunity in 1847 during the post-crisis debate, to lobby the Whig government to issue more money where required. These "inconvertibles" as the Times dubbed them were a "most crazy little squad of fanatics".⁶⁶ The Chronicle likewise was not won over to the arguments of the Birmingham theorists and was certain that:

"The country will not agree with them; the currency may not be adequate to the trade of the country but no sane man we are confident would ever wish the government to enter upon such a career of recklessness and ruin".⁶⁷

The Chronicle hoped that a sensible rate of interest would deter future speculation on the scale seen since the 1844 Act and hoped that:

"We shall never again see the rate of interest so low as we have seen it and that the temptation may be removed of entering into a reckless and ruinous course of speculation".⁶⁸

There was little support for the Government performance in the debates on the Commercial Crisis following the recall of Parliament. The Journal was unconvinced by Wood's statement which shifted blame for the crisis onto the import of corn and the expenditure on railways. The Journal totally rejected Woods' hypothesis that it was the Bank Charter Act which had helped to prevent a crisis on a larger scale. The Chronicle was critical of the way in which Peel had continued to defend his legislation:

"His speech indeed contained nothing to shake our belief that that Act was uncalled for and has done no good".⁶⁹

The Journal broadened its attack on the Whig handling of the crisis. Certain information had been suppressed

concerning the state of the money market:

"No doubt in deference to foregone conclusions and to the prestige of Sir Robert Peel's name, the Whig Ministers have endeavoured to steer over as lightly as possibly they could the very awkward circumstances of the suspension and the causes that produced it".⁷⁰

In spite of the natural political prejudices the two leading Newcastle papers found common ground yet again over the composition of the Parliamentary Committee which the Whig government wisely decided upon to satisfy their critics. Wood stressed that all interests were represented on the committee and that with a composition of nine known supporters of the act, ten critics of it and six of no strongly held opinion:

"it could not be said that it was a packed committee or that a committee could be constituted which was more likely to form a fair and impartial judgement".⁷¹

The Chronicle was not over sanguine concerning the likely verdict:

"the committee from its composition, will decide in favour of the Act of 1844 and against the Directors of the Bank who will be made the scapegoats for ministerial mistakes".⁷²

The Journal anticipated a closing of ranks yet again in defence of Peel's legislation and was convinced that all but seven would speak on behalf of the bill:

"The majority of 19 out of a committee of 26 places the result of the enquiries beyond a doubt and fully justified the assumption that no effectual amelioration of the existing system was ever contemplated by the government who have bound themselves hand and foot to the currency theories of Sir Robert Peel".⁷³

Chapter 6: The Financial Crisis of 1847

1. For a detailed analysis of the background to the financial and commercial crisis of 1847 see C.N. Ward-Perkins, "The Commercial Crisis of 1847", Oxford Economic Papers ii (1950), pp. 75-94.
2. See above Chapter 2 for a full explanation of the background to the Bank Charter Act, 1844.
3. The Journal, 24 April 1847.
4. Ibid.
5. Ibid.
6. The Journal, 25 May 1844.
7. See below.
8. The Journal, 11 May 1844.
9. The Journal, 15 May 1847.
10. See Boyd Hilton, "Peel: a Reappraisal", Historical Journal, XXII, No. 3, (Sept 1979), pp.585-614.
11. See Boyd Hilton, "Cash, Corn, Commerce, The Economic Policies of the Tory Governments, 1815-1830" (Oxford, 1980), Chapter 2, pp.31-67.
12. N. Gash, Sir Robert Peel, op.cit., p.433.
13. Ibid.
14. The Journal, 15 May 1847.
15. The Chronicle, 29 June 1844.
16. The Chronicle, 30 April 1847.
17. The Journal, 18 September 1847.
18. Ibid.
19. Charles Greville, 23 October 1847, The Greville Memoirs, 1814-1860 Vol. V., edited by L. Strachey and R. Fulford (London, 1938), p.462.
20. Greville, 23 October, 1847, Greville Memoirs, Op.cit., p.463.
21. See Boyd Hilton, 'Cash Corn Commerce', op.cit., pp. 59-62.

22. E. Halevy, The Age of Peel and Cobden, (London, 1947), pp.161-182.
23. C.N. Ward-Perkins, op.cit., pp. 84-85.
24. George Hudson, 19 March 1846, Hansard, 3rd Series, Vol. LXXXIV, pp. 1239-45.
25. The separation of the banking and issuing departments of the Bank of England in 1844 led to a period of 'cheap money'. The banking department now felt free to compete freely and its discount rate was now consistently lower than market rate for three years encouraging an "orgy of speculative activity". Ward-Perkins, op.cit., pp. 76-77.
26. The Journal, 25 September 1847.
27. Ibid.
28. The Journal, 21 August 1847.
29. Ibid.
30. The Chronicle, 8 October 1847.
31. See below.
32. See below.
33. The Chronicle, 24 September 1847.
34. Ibid.
35. The Chronicle, 1 October 1847.
36. The Chronicle, 17 September 1847. The Times was also critical of the mismanagement by the Bank of England Directors, especially their decision to impose a high rate of interest when money was scarce. "How long the public will tolerate the accumulated injuries and disgraces which the Bank thus continues to inflict upon the nation, it is needless to inquire; but it is right that the evils should be attributed to their true cause while they are in actual progress". The Times, 6 August 1847.
37. See J.B. Conacher, "Peel and the Peelites, 1846-1850" English Historical Review Vol. 73 (1958), pp.431-446.
38. The Journal, 16 October 1847.

39. Ibid.
40. Greville, 23 October 1847; Greville Memoirs, op.cit., pp.462-3.
41. The Chronicle, 24 September 1847.
42. Ibid. See above for the origins of the financial crisis of the spring of 1847.
43. The Times, 23 September 1847.
44. Ibid.
45. The Chronicle, 24 September 1847.
46. Ibid.
47. See N. Gash, Sir Robert Peel (1972), pp.627-631.
48. See the Newcastle Chronicle, 22 October 1847 for the text of the letter to Lord Russell from E.S. Cayley.
49. The Journal, 30 October 1847.
50. Ibid.
51. The Chronicle, 29 October 1847.
52. Ibid.
53. The Times, 29 October 1847.
54. Ibid.
55. The Journal, 30 October 1847.
56. The Chronicle, 29 October 1847.
57. See Sir Robert Peel, 3 December 1847, Hansard, 3rd Series, Vol. XCV, pp.650-672.
58. See below.
59. Ward-Perkins, op.cit., pp. 79-80.
60. The Times, 25 October 1847.
61. The Chronicle, 5 November 1847.
62. The Journal, 6 November 1847.
63. The Times, 25 October 1847.

64. See A. Briggs, "Thomas Attwood and the Economic Background to the Birmingham Political Union", Cambridge Historical Journal, Vol. IX, No. 2 (1948), pp. 190-216.
65. Quoted in A. Briggs, op.cit., p.206.
66. The Times, 6 August 1847.
67. The Chronicle, 12 November 1847.
68. The Chronicle, 16 November 1847.
69. The Chronicle, 10 December 1847.
70. The Journal, 11 December 1847.
71. Sir Charles Wood, 15 December 1847, Hansard, 3rd Series, Vol. XCV, p.1133. The North East achieved representation on the Commons Committee through George Hudson (M.P. for Sunderland since 1845) who spoke against the Bank Charter Act 1844.
72. The Chronicle, 17 December 1847.
73. The Journal, 18 December 1847.

CHAPTER 7

The General Election of 1847 on Tyneside:

Peel's Policies in Perspective

The General Election of 1847 was a confused affair.¹ No one issue dominated the election as Russell himself admitted:

"the absence of any party contest or of any great question has led to results of a very unfortunate character".²

Free trade although keenly debated, was not the dominant issue in 1847 as envisaged by many of its advocates in 1845.³ In fact, religion was a far more emotive issue. F.R. Bonham admitted as much when commenting on the issues which would decide the election: "'Maynooth' has certainly destroyed several of our friends, 'Free Trade' hardly any".⁴ Endowment, especially to Roman Catholics, proved a contentious issue in North Northumberland and many protectionists turned to the defence of protestantism as a more useful stick with which to beat their liberal opponents who supported free trade. Whig plans for education⁵ which would have increased the authority of the state and the established church, raised a storm of protest from non-conformist groups who took the first tentative steps to organise their campaign for the 1847 election.

The Liberal numbers were swollen to 337 in 1847 which was a significant improvement on their showing in 1841 (289 seats). However, this proved to be an unwieldy grouping containing over 100 radicals which would only add to Russell's problems in the House. Contemporaries noted a "considerable infusion of new blood"⁶ into the House. Many M.P's. had retired and, therefore, the

changes within the house led to growing fears amongst the Conservatives that this new House would prove to be as disorderly as the first Reform Parliament. Estimates of Peelite success vary from 80 to 120 seats. The confusion over the political allegiance of members arises because Peel refused to put himself at the head of the campaign. This impaired the impact of the Peelite party in the election.⁷ Greville shows that his policies and his presence on the political stage were still very much at the centre of the debates on the hustings.⁸ The protectionists formed the major opposition with some 230-240 seats. Contests between Protectionists and Peelites were rare, for Stanley had exercised a moderating influence over the campaign and had discouraged confrontation as much to avoid expenses as anything else.⁹

The election of 1847 was fought on a number of issues in Northumberland. Economic, religious and social matters figure prominently in the election addresses of the candidates and no one issue was dominant. Although this was the first election held in the wake of the repeal of the Corn Laws, there was little emphasis on them in the elections. George Hudson at Sunderland, for instance, perhaps the region's most vocal advocate of agricultural protection, told his constituents he was prepared to give free trade a 'fair trial'. Issues such as the provision of education, the working of the Poor Law, or the retention of the Navigation Laws, played a part in the

campaign in the region, but it was religious issues which seemed to arouse most interest and the greatest feeling and emotion.¹⁰ Purely local matters played a greater part in some constituencies, for example in Tynemouth; but the two contested elections of North Northumberland and Newcastle illustrate well the diverse nature of the 1847 election.

Three candidates contested the division of North Northumberland: Lord Louvaine who veered towards protection, Lord Ossulton a confirmed "protectionist" and Sir George Grey, the unseated member in 1841 and a prominent Liberal Minister. It was Grey's challenge which drove the press to heated debate. The Journal did its utmost to lobby support against Sir George and rally electors to the cause of conservatism. Chief among its criticisms of the Liberal candidate was his attitude to Roman Catholic endowment:

"Irish Romanism has no warmer friend at this side of the St. Georges' Channel".¹¹

His part in the framing of the new Poor Law came under attack and it was the Journal's considered opinion that his religious and political views ran counter to the electors of North Northumberland.

"...he is in direct opposition to the social worth and religious feeling and political intelligence of North Northumberland".¹²

The Journal considered also that Sir George had been thrust upon the electors even though his only connection with the area was through Earl Grey. The electors should be given more freedom to choose their own candidate. The choice in the election was quite simple:

"Sir George Grey and the triumph of pampered and endowed Romanism on the one hand - Lords Ossulton and Louvaine and the glorious principles of the British constitution on the other".¹³

The Journal also warned electors to avoid the temptation of splitting votes in order to keep out the peelites for "He is no conservative who votes for Sir George Grey".¹⁴ Sir George, the Journal stated, stood for everything opposed by the electors of the North Northumberland constituency - Roman Catholic endowment, opposition to protection and support of the new poor law, and all should oppose them:

"...who value our mixed constitution and prize its inestimable privileges who see in it the only safeguards of religious freedom, and dread the access of that daring and restless spirit of innovation which holds nothing sacred and continually pants after wild and sweeping changes".¹⁵

The Whigs and their new fangled doctrines had already made significant changes and it was to be feared that "daring inroads may be made upon our most cherished institutions".¹⁶

Sir George Grey defended his decision to vote for repeal of the Corn Laws and he rejected the accusation that by doing this he would help to bring ruin to the agricultural community for as owner of 900 acres, he would ruin himself in the process. He stood for "protection", but his form of protection differed greatly from the artificial one imposed by parliament:

"I am for protection to agriculture - not that which is dead and gone: not that which led people to believe that parliament could fix remunerative prices for the produce of the land; true protection consists in an enlightened and judicious co-operation on the part of the landlords and the tenants to increase the productiveness of the soil".¹⁷

He recommended the granting of long leases as proper security of tenure for tenants and the provision of "fair and liberal" aid which would enable the "english farmer to compete successfully with farmers of any nation on earth".¹⁸

Sir George Grey's views were much in line with Peel's statement of conservative principles in the Tamworth Manifesto of 1834. Peel had warned that as Prime Minister he would not bend to every popular whim for reform and thereby abandon respect for ancient rights and authority. However, Peel accepted the need for change and improvement where there existed a strong case. Sir George likewise endorsed these views when he espoused the adoption of a more "enlightened" approach to the problem of "protection" for agriculture. In 1847 Peel reiterated some of these views in his letter to his constituents, emphasizing the conservative nature of Corn Law repeal, and in 1849 followed the emphasis that Grey had used in Northumberland in 1847, when he advocated "high farming" as an alternative to protection.¹⁹ Thus the Liberal Sir George Grey seemed the closest north-eastern advocate of the new principle adopted by the erstwhile Tory Prime Minister.

It is significant that Grey felt that he must defend himself on the question of protection to agriculture and his election address did not contain a statement on his attitude to religious or social questions although these were the main areas of attack chosen by the right wing press. Perhaps he felt that electors in North Northumberland were more concerned about their own livelihood than the principles at stake in Catholic endowment or the condition of the workhouses.

Grey's fellow candidates in the election were prepared to accommodate some of the arguments in favour of free trade although both assured the electors that they had the best interests of the agricultural community at heart and would spring to its defence if benefits did not flow from the "great experiment" in tariff reform. Lord Louvaine retained the same confidence in the English farmer as Sir George Grey and he considered that the farmers' "talent and energy" would enable them to meet the new challenge. However, Louvaine would not compromise over the Navigation Acts. He opposed completely any alteration to these laws, "... the origin of the enormous commercial prosperity of this Kingdom"²⁰ Lord Ossulton felt compelled to defend his own record in parliament. He resented the charge that he had neglected his duties and that he was a mere party and family nominee and he promised to support measures for the future protection of agriculture and native industry if free trade proved detrimental to these interests.

The victory of Sir George Grey in the election was received stoically by the Journal: "The good cause has received a severe, but we trust only a temporary defeat".²¹ The electors had been lured away by the fallacies of free trade; but the full effects of the abolition of tariff were not yet appreciated and thus there was hope that the voters would return to the only party which protected national interests:

"men will again learn to appreciate the safe policy of true conservatism and will see through the flimsy sophistries that now catch and attract them".²²

Finally, the Whig government "had not yet opportunity for claiming itself in the eyes of the country"²³ and they would prove to be unsuitable for office during a full parliament. The treachery of Sir Robert Peel and the "confusing of party ties and political distinctions" occasioned by Peel's action had also created a temporary diversion for the electorate.

Grey's victory was applauded by the liberal press although only the Newcastle Guardian considered free trade and Grey's espousal of it to have been a factor explaining his success. The Guardian considered that the results in Middlesex and North Northumberland were:

"convincing evidence of the rapid ebb in public opinion of the dogmas of Protection".²⁴

Both Chronicle and Guardian saw Grey's victory in 1847 as just revenge for the defeat of the family in 1841 by a "combined phalanx of monopolists and their dependents".²⁵ Fear of foreign competition had, presumably, driven the gentry to vote against a "liberal and enlightened nobleman". Commonsense had at last prevailed although

the Chronicle had never underestimated the strength of the powerful coalition cited above.

"The coalition of 1841 still exists, although some of the parties to it may be changed ... (however) it is perfectly clear that the determination to monopolise the representation of the division and make us the slaves of lordly domination is as strong and as rampant as ever".²⁶

Grey had "boldly undertook the glorious task of freeing North Northumberland from slavery"²⁷ and he had succeeded in rescuing the constituency from becoming little better than a mere "nomination borough". The electors had expunged the bitter memory of the defeat of the Grey family in 1841 at the hands of the nobility and they had proved that "they were not the servile tools they (the aristocracy) took them for". Grey had taken on the landed interests and won.²⁸

"...the champion of our independence who has at great personal sacrifice and at our request most nobly come forward to rescue the representation of the country from aristocratic usurpation".²⁹

It was Grey's personal qualities, recognised even by the Journal as well, that were seen as the reason for his victories. Policies are not stressed by the Chronicle. Grey was a man of high character and acknowledged talents and he was to be commended for the "Chivalrous Spirit" he had shown in abandoning a certain seat in Devonport for the "toil and hazard" of the contest in North Northumberland even though he held an important ministerial post. By electing Sir George, the voters had rejected an attempt at dictation by the aristocracy. Northumberland electors had a mind of their own and they

"will not suffer the representation of Northumberland to become the property of any family or coalition of families however powerful".³⁰

The Journal's political lobbying was no more successful in the Newcastle election. Here Ord, a sitting candidate for 12 years and a liberal was joined by two other candidates Hodgson, the protectionist and Thomas Headlam another liberal both of whom were fighting, realistically, for the seat vacated by the retiring incumbent Hinde. The Journal, of course, espoused the cause of Hodgson who was an out and out anti-Peelite and opposed the commercial and financial policies of the former Tory Prime Minister. Hodgson was also a strong critic of the "harsh and obnoxious clauses of the Poor Law"³¹ and thus he would surely carry the day against Headlam and would thus join Ord as the second member for the constituency. Ord was in fact an outspoken supporter of Peel's policies and he gave a detailed analysis of the virtues of the commercial policies of the late Tory administration - consumption from abroad had increased; taxes had been reduced by £7m; revenue was static and vital imports of corn had been secured during the period of famine and distress. For Ord, this election was very much about economic matters and especially free trade and he promised opposition in parliament to any party,

"who have recourse to the exploded principles of protection...and which work infinite mischief and hardship upon the rest of the community".³²

Headlam compromised and took a middle road between the other candidates and presumably tried to appeal to

as wide a spectrum of the political electorate as was possible. He skirted around the key issues of the Navigation Acts and Catholic endowment but promised that, if elected, he would put the maritime interests of Newcastle first. He stressed that he was a true friend to religious liberty and therefore no man should suffer any civil, financial, or religious deprivation for his views. Headlam's "canny" approach proved successful and he joined Ord in Parliament.³³ Peelites and Whigs carried the day.

The Newcastle Guardian saw the victory of Headlam and the defeat of Hodgson as very significant in political terms:

"A new party is arising in the state which rejecting the old names and watchwords of faction is desirous to overthrow the system of class legislation and carry the work of social and political reform".³⁴

The victory of the Liberal candidate was further proof of the political preferences of Newcastle in the view of the Guardian namely, opposition to protection and the "monstrous scheme of universal religious endowments"; and support for the extension of the franchise and social reform.³⁵

Peel's economic measures and the debate over free trade seemed to play a far more prominent part in the election addresses made by the two unopposed candidates in South Northumberland. The 'protectionist' Matthew Bell, obviously reeling under what he felt to be the tide in favour of free trade, was at great pains to state

his hope that he would be proved wrong and such a policy would eventually prove beneficial:

"no one will rejoice more to find this apprehension unfounded".³⁶

He assured the electors that his opposition to Peel whom he took to be sincere in his actions was based on his concern for the true interests of the country and he would not withhold his support from any government for factious reasons. Therefore, he would support the Whig Education Bill and the extension of the Poor Law to Ireland but he held firm over the sanctity of the Navigation Acts "under which our commercial marine has grown and flourished for 20 years".³⁷ Any alteration "would endanger our commercial marine".

Saville Ogle, a liberal, reminded the electors that in his 'six years' absence, he and the Whigs had consistently supported Peel and without their support in Parliament the progress made towards free trade would have been impossible. They had put country before party. Ogle fully supported Peel's view that conditions now favoured the British farmer. Demand was increasing owing to population growth and therefore the farmers need not suffer if they were prepared to meet the new challenge energetically. Furthermore, espousing the next logical step on the path to free trade, he considered that the Navigation Acts needed examination and alteration.

Although local matters (i.e. the granting to North Shields of equal commercial status with Newcastle) dominated the Tynemouth election, the Navigation Acts and Peel's commercial policy were still important issues. Sir Ralph Grey a Liberal who had done much to sponsor the extension of customs house facilities to the borough, stated that he supported the movement towards readjustment of the Navigation Acts which had remained intact for so long. However, he recognised the importance to North Shields of such a system of protection and the supply of seamen that these laws provided and he would endeavour to protect the interests of the borough. He was, unashamedly, a supporter of Sir Robert Peel's commercial policies and would vote for the extension of education unencumbered with moral and religious teaching.³⁸

Viewing results nationally, the Newcastle Guardian was far more ecstatic concerning the final results than either the Chronicle or the Journal. The Guardian considered that there had been a net liberal gain of 43 M.P.'s. and this was due to the progress of "reform" principles among the "constituent body of the empire".³⁹ The Chronicle did not consider that issues arising from the previous parliament had made the election of 1847 dramatically different from that of 1841.

"The elections...have proceeded in much the same way and shown much the same feeling as those which preceded them. They are not calculated to make much difference to the strength of the parties".⁴⁰

The importance of the repeal of the corn laws as well as private quarrels were seen as determining factors in many county results where electors may have rejected a former M.P. on the strength of his attitude towards Protection. In the eyes of the Chronicle, elections had been fought in 1847 without the usual party sting and competition. The reason put forward was that the Tories had lost a cause - Protection - and were prepared to wait upon the judgement of public opinion on repeal. It seemed that the Tories had decided "to give the new state of affairs a fair trial".⁴¹ The vacillations of Bell, a former Protectionist, would seem to bear this out.

The absence of party conflict may well have been due to the general confusion of party groupings, the variety of issues and Stanley's moderating influence as noted above. As the Chronicle observed:

"The elections for the most part have evinced little of the old party spirit. Neither of the parties have fairly engaged in open conflict".⁴²

The fact that out of 401 constituencies, 236 were not contested also goes a long way to explain why there was "an unusual absence of all party cries".⁴³

Conservative fears that the new House would be an unruly place filled as it was with so many new M.P.'s. were reflected in the Journal's opinion of the new parliament. It doubted whether Peel or Russell could make much of the

"mass of ignorant presumption, political inexperience and personal obscurity... a more motley incongruous or ill-assorted mob of legislators... have never been found congregated in the British Parliament".⁴⁴

Russell echoed the Journal's views. Writing to his Sovereign on the state of parties following the election, he doubted whether he "or any other Minister will have the command of a regular party majority".⁴⁵ He was more optimistic however, than the Journal for, in all probability,

"the Government will be sufficiently strong to resist both the reaction against free trade and any democratic movement against the Church or the aristocracy".⁴⁵

Chapter 7: The General Election of 1847 on Tyneside

1. For the general background to the 1847 election see E. Halevey The Age of Peel and Cobden: A History of the English People 1841-1852, (London, 1947) pp.155-161 and N. Gash, (London 1972), pp. 625-626.
2. Quoted in J. Prest, Lord John Russell, (London 1972), p.262.
3. The Anti-Corn Law League had mounted a determined political campaign from 1845 onwards which was to culminate in the 1847 election. See Chapter 5.
4. Quoted in N. Gash, op.cit., p.625. See also reference 9 below.
5. The Whig Government had intended to raise the standard of pupil-teacher training by increased Government inspection and by the adoption of the principle of professional exams. These proposals were outlined in a Privy Council Minute of December 1846. In spite of opposition from dissenters, the government pressed ahead with the scheme increasing the grant to £100,000 and negotiating special arrangements with separate non-conformist groups. See J. Prest, Lord John Russell, pp.256-257.
6. Douglas Jerrold's Weekly Newspaper, 7 August 1847. See also the Times for 18 and 21 August 1847.
7. See J.B. Connacher, "Peel and the Peelites English Historical Review (1958), pp.431-452.
8. Greville noted in discussions with members of the Liverpool commercial community on the eve of the election, "everybody, even those who were most angry with him on account of the Bill, would be glad to see him in office again". The Greville Memoirs: 1814-1860 (London, 1938), 22 July 1847, p.461.
9. See R. Blake. 'The Conservative Party from Peel to Churchill' (Collins, 1970), pp.72-80. In Liverpool Peel's policies both economic and religious (namely the Maynooth Grant) had been on trial. Cardwell, a follower of Peel, had triumphed: the official protectionist candidate had come bottom of the Poll. Sir James Graham wrote ecstatically to Peel, "Cardwell's triumph at Liverpool is a great event. It is at once the discomfiture of bigotry and Protection and a pronouncement in favour of your principles" Sir James Graham, 1 August 1847, Sir Robert Peel edited by C.S. Parker (London 1899), Vol. III, p.488.

10. Hudson's address at Sunderland, 15 June 1847; Sunderland Herald, 18 June 1847. Throughout the elections feelings against Peel's espousal of religious endowment for Catholics had raised much opposition to Peelite candidates in the constituencies. Lord Lincoln complained to Peel that the Kirk in Hamilton had campaigned against every Peelite candidate "as a friend of the Papists" and Sidney Herbert noted that in Wiltshire "the clergy here are strong against Maynooth". See Parker, op.cit., pp.488-489.
11. The Journal, 7 August 1847.
12. Ibid.
13. Ibid.
14. Ibid.
15. The Journal, 31 April, 1847.
16. Ibid.
17. The Journal, 14 August 1847.
18. Ibid. See also D.C. Moore 'The Corn Laws and High Farming' Economic History Review, 1965-66, pp.544-561 and above Chapter 5 for Peel's support of scientific farming methods.
19. See N. Gash, Sir Robert Peel (London, 1972), pp.96-7. Letter from Sir Robert Peel to the Electors of Tamworth (London, 1847), pp.32-3. Peel to his Tamworth Tenants, 24 December 1849; The Times 28 December 1849.
20. The Journal, 14 August 1847.
21. Ibid.
22. Ibid.
23. Ibid.
24. The Newcastle Guardian, 14 August 1847. The results in Middlesex and Northumberland mirrored the changing fortunes of the parties between the 1841 and 1847 elections. In the 1841 election, the Whigs had majorities in only eight counties and tied in seven more including Middlesex and Northumberland. In 1847, the Whigs achieved a majority in these two counties and 22 others forcing the Protectionist Conservative Party back onto the support of the counties in the centre of England and East Anglia. For a fuller analysis of the 1841 and 1847 elections see Blake, op.cit., pp.73-75.

25. Ibid.
26. The Chronicle, 6 August 1847. The Duke of Northumberland exercised much influence in North Northumberland, "that most feudal of county constituencies" (T.J. Nossiter, 'Influence, Opinion and Political Idioms in Reformed England: 1832-74' (Hassocks, 1975) p.108). In the election of 1841, he had succeeded in preventing the return of the vociferous Whig Lord Howick. The Sunderland Herald, quoting the Berwick Advertiser, commented upon the Duke's "trickery and tyranny" in the Campaign which "robbed his 400 tenants of the free exercise of his franchise". The Sunderland Herald, 24 September 1841.
27. The Chronicle, 13 August 1847.
28. Ibid.
29. Ibid.
30. The Chronicle, 6 August 1847.
31. The Journal, 31 July 1847.
32. Ibid.
33. The Headlams had built up significant political influence in Newcastle by the 1840's. Dr. Headlam, Lord Durham's family physician and political agent in Newcastle, was an astute campaigner who exercised much patronage in the city even after Durham's death in 1840. In 1847, he secured the return of his nephew Thomas Headlam and thus advanced the family ambitions still further. See Nossiter, op.cit., pp.114-115.
34. The Newcastle Guardian, 31 July 1847.
35. The Dissenters who opposed "universal religious endowments" were on the whole liberal but on this issue they came close to the position occupied by the Tories who opposed endowment for Catholic institutions in Ireland. This anomaly could prove embarrassing to Anglicans as witnessed by Sir Sidney Herbert in Wiltshire: "The clergy here are strong against Maynooth, but naturally very shy of any alliance with the Dissenters on the subject". Sir Sidney Herbert to Peel, 5 August 1847, Parker, op.cit., p.488. Dissenting support for Russell and the Whigs had been strained to the full during Whig support for the Maynooth Bill 1845 and was tested yet again over the increased endowment for church education. See J. Prest, Lord John Russell (London 1972), pp.196-197; 256-257.

36. The Journal, 7 August 1847.
37. Ibid.
38. See The Chronicle, 31 July 1847.
39. The Newcastle Guardian, 28 August 1847. The Guardian identified 92 M.P's. as 'Peelites' and was confident that "a large proportion...will on many important questions vote with the ministry".
Ibid.
40. The Chronicle, 20 August 1847.
41. The Chronicle, 13 August 1847.
42. Ibid.
43. Ibid.
44. The Journal, 14 August 1847.
45. Russell to Queen Victoria, 5 August 1847, The Letters of Queen Victoria (London, 1908), edited by Benson and Esher, Vol. II 1844-1853, p.126.
46. Ibid.

CONCLUSION

Press reaction in the North East of England to the economic legislation of Peel's administration 1841-1846 was above all parochial. The editors saw their measures in north-eastern terms and were less concerned about the national impact. There was a general acceptance of his tariff proposals except where these measures affected a vital north-east interest i.e. coal. Peel's attempts to raise revenue from a reintroduction of the export duty on coal raised a storm of protest throughout the region. By 1845 there seemed agreement throughout the press that Peel's strategy had proved to be beneficial. His decision to abolish the export tax on coal was, of course, warmly received throughout the area.

Reaction within the press was, of course, also conditioned by the political stance of the proprietors, editors and reading public. The Journal, as the leading Tory paper, defended Peel's economic legislation even when it ran counter to northern interests. The importance of the political allegiance of the paper was the determining factor when considering the Journal's attitude to Peel during and after 1846. His 'betrayal' of the party in 1846 led to a reappraisal of the Tory leader and even his economic legislation. By 1847, the Journal had in fact come to oppose the operation of the Bank Charter Act of 1844 and it was only too ready to blame Peel's banking and currency reforms for the crises of the spring and summer of that year. The bulk of his party had come to regard Peel as a pariah and the Journal's comments during and after the Repeal crisis echo the line taken by the Conservative protectionists in parliament.

The Radical and Liberal press on Tyneside remained somewhat suspicious of Peel and his economic policies throughout the period under review. The Radical papers (Tyne Mercury and Gateshead Observer) were, in general, more sympathetic to Peel's objectives than the Liberal Chronicle which remained unconvinced throughout the 1840's. The reciprocal admiration professed by the Tory Peel and the Radical Cobden contrasts equally with the condemnation of Peel by the Liberal ex-Premier, Lord Melbourne. In their approach to, for instance, factory reform or Poor Law reform, some Radicals had always found some Tories more congenial than most Liberals. If the Journal reacted sharply to Peel's monumental decision to go for repeal of the corn laws in 1846, there were no corresponding plaudits from the Chronicle and Tyne Mercury even though these papers had called continually for more sweeping measures in regard to corn.

The reaction in the north-east press is broadly reflected by the regions M.P's. Their comments represent the local concerns of their constituents. When the future of the coal industry was at stake, the leading sector of the region's industrial development, Northern M.P's. of all parties were stirred into action. Otherwise, M.P's. north of the Tyne had little to contribute in parliament on the great questions of the day and their comments in general represent the political line taken by their respective parties.

By 1847, economic policies, except for the Bank Charter Act, had produced only a limited impact in the north-east. The election of 1847, north of the Tyne, raised the issue of free trade but much of the economic package delivered by the government of Peel was now accepted, even the repeal of the corn laws. Results in the region proved that it would be unwise to campaign on a strong protectionist ticket. Debate over economic policies had moved on to a consideration of the future of the Navigation Acts which, like the coal industry, was of major regional concern. The issues which raised most emotion were the perennial ones which dominated the mid-Victorian political stage - religion (especially clerical endowment) and social policy (the provision for the poor).

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