

TOBACCO.

[To accompany joint resolution No. 25.]

FEBRUARY 18, 1837.

Mr. JENIFER, from the Select Committee to which the subject had been referred, made the following

REPORT:

The Select Committee, to which were referred the memorial of the tobacco planters, and the resolutions of the General Assembly of the State of Maryland, upon the subject of high rates of duty, and restrictions imposed by foreign Governments upon American tobacco, report:

That but little information is afforded by the archives of the Government of the United States upon the several subjects committed to their charge. The principal exports of tobacco, from the United States to foreign countries, have been to England, the ports of France on the Atlantic and Mediterranean, Holland, Belgium, and the Hanse towns, for the consumption of Germany. And although it is admitted into Russia, Sweden and Norway, Denmark, Portugal, and some other parts of Europe, yet it is not to those last named countries that the American planters can look with hopes of much benefit, at least at the present time, for its consumption.

Anterior to the American revolution, the culture of tobacco was almost entirely confined to the then provinces of Virginia and Maryland; and as early as the year 1763, the exports were 67,000 hogsheads, near which annual average it continued until 1770; the war necessarily diminishing the exportation. But, in the years 1790, 1791, and 1792, the average was 111,030 hogsheads; being a larger quantity than has been exported from the United States in any one year since. Tobacco is now grown, in addition to Maryland and Virginia, in the States of Kentucky, Ohio, Tennessee, Missouri, Indiana, and North Carolina, and in small quantities in Connecticut and Pennsylvania. And although the *product* of the United States is much greater now than in the year 1790, still the *export* of that staple is less at the present time than formerly; the surplus produce being consumed at home.

From the year 1793 to 1800, inclusive, the average annual exports were 70,308 hogsheads, and of manufactured about 200,000 pounds.

For the year 1801 the exports went up to 103,753 hogsheads, and of manufactured to about 2,000,000 pounds, but decreased the next year to 77,721 hogsheads, and continued at near that average until the years 1807 and 1808, when the Berlin and Milan decrees and the embargo brought down the exports to less than 10,000 hogsheads.

From 1809 to 1812, inclusive, the annual average was, of exports, 66,659

hogsheads. The two succeeding years, being those of the late war with Great Britain, the exports were almost nominal, being less than 4,000 hogsheads.

From 1815, the first year of peace, up to 1835, the exports (with the exception of the years 1827 and 1832) have averaged about 90,000 hogsheads, and 2,500,000 pounds of manufactured tobacco.

The years of 1827 and 1832, the exports exceeded those of all former years since 1792 to the present period. The amounts being for the year 1827, 100,025 hogsheads, and 2,637,411 pounds; and for the year 1832, 106,806 hogsheads, and 3,456,071 pounds; being the largest number of hogsheads exported from the United States since that year, which amounted to 112,428 hogsheads.

In 1835, the exports were 94,353 hogsheads, and 3,817,854 pounds, which may be taken as a fair average of the past and present year.

Although the number of hogsheads exported in 1792, and the years immediately preceding, were greater than for the last ten years; yet, when it is considered that the weight of the hogsheads is considerably increased, as also the quantity of manufactured tobacco, it is believed that there is but little difference in the number of pounds exported between the former and present period.

Weight of tobacco.

In 1790, and for some years subsequent, the average weight of a hogshead was about 1,000 pounds. At the present time, those from Kentucky average about 1,300 pounds; and, although the finer qualities do not exceed, if equal, the former weights; yet, much the largest quantity exported being coarser and heavier, it is estimated that the average weight of all kinds, from Virginia, Maryland, Kentucky, Ohio, and Tennessee, is about 1,200 pounds to the hogshead. This, in addition to the increased quantity of manufactured tobacco, will show but little difference in the amount of exports between the former and present periods.

Prices of tobacco.

There has been a considerable diminution in the prices of our tobacco from the year 1800 to the present time, with the exception of the four years immediately succeeding the late war with Great Britain; during which, it sustained an average of about \$13 50 per hundred pounds. From 1800 to 1809, the average price, for those ten years, was \$6 $\frac{3}{4}$ per hundred pounds; whilst, for the same number of years to 1835, inclusive, it has not been quite \$5 $\frac{1}{2}$ per hundred pounds, notwithstanding the quantity exported has not increased.

Value of exports.

Prior to the year 1802, the value of the exported tobacco has not been ascertained; but in that year it amounted to \$6,220,000; in 1816, just after the war, to \$12,809,000; and in 1835, to \$8,250,577, of unmanufactured; and of manufactured, \$357,611, making an aggregate value of \$8,608,188. Thus, the value of annual exports from the United States of this article alone, under all the disadvantages of onerous foreign imports and restrictions, may be put down at near nine millions of dollars.

From the foregoing fact, it is evident that the present depressed state of the tobacco market is not attributable to the increased exports of that article from the United States; we must, therefore, look elsewhere for the causes.

As far as your committee have ascertained, the first efforts to have modified the duties or restrictions imposed abroad on American tobacco, were made by Mr. Jefferson, whilst minister to France in the year 1785. It appears from his correspondence that, at that time, he had several conversations with, and addressed a letter to, Count de Vergennes, then Minister of Foreign Affairs at Paris, upon the subject, in which he called that minister's attention to "the monopoly of the purchase of tobacco in France, as discouraging both to the French and American merchant;" and further urges, "that it is contrary to the spirit of trade, and to the dispositions of merchants, to carry a commodity to any market where but one person is allowed to buy it, and when, of course, that person fixes its price, which the seller must receive, or re-export his commodity, at the loss of his voyage thither."

Since that period, although some alterations and changes have been made by France in respect to her own internal regulations, no modification operating to the benefit of the American planter has been made, nor have any specific instructions been given by our Government in relation to this subject.

It is true that occasional suggestions have been made by some of our ministers and agents abroad, but not sufficiently urgent to induce any of those Governments, to which our tobacco is exported, so to modify their laws as to place this staple upon any thing like an equal footing with any other product coming from the United States.

The quantity of tobacco consumed in France in 1785, Mr. Jefferson estimated at about 24,000 hhds. annually. At the present time it is estimated at 37,000 hhds. Of this, the imports from the United States do not exceed 7,000 hhds. In 1835, the exports from the United States to France on the Atlantic were 5,259 hhds.; France on the Mediterranean, 1,053 hhds.; and to the French West Indies, 600 hhds.: in the whole, less than 7,000 hhds.; and this, subject to such restrictions and regulations, as to make that country a very limited as well as precarious market for our tobacco. The purchase of it being confined to the *regie*, and prohibited to individuals, not a pound can be purchased except by their directions; and then by samples sent for inspection, of which a selection is made according to their taste; which amount is so limited, and quality so defined, as to render any shipments to those ports hazardous in the extreme.

In the year 1833, by reference to her commercial regulations, we find that the quantity admitted for sale by the *regie* was little more than 6,000 hhds.; this in leaf, and confined to the growth of Virginia, Maryland, and Kentucky—thereby excluding all other kinds from the United States.

The exports to Great Britain have increased since 1830, from 19,910 hhds. to 27,563 hhds., in 1835, notwithstanding the impost duty in England is three shillings sterling per pound, equal to seventy cents United States currency. Here, too, are restrictions, and the number of ports where it may be imported limited. It is manifest, however, that the duty alone, independent of other burdens, acts as a prohibition to all except the first qualities. Of the quantity exported direct to England, it is estimated that about one third finds its way into Belgium, Holland, and the Hanse towns;

leaving to be consumed in England, of American growth, less than 20,000 hhds. It is not unreasonable to suppose, were the duty upon our tobacco reduced to bear some fair proportion to those paid in the United States upon British growth and manufacture, that the consumption in England would be considerably increased.

Austria.

In Austria tobacco is considered a state monopoly, and its introduction regulated by special dispositions. Before it can be consumed, a duty of fifteen florins, equal to about seven dollars American, on the hundred-weight, must be paid. Should it remain in depot longer than one year six weeks and three days, it is sold by the administrator of tobacco, and the nett proceeds, after paying expenses, &c., &c., held for the benefit of the owner. Even tobacco on board of vessels whilst in port, intended for the use of the crew, must be deposited in the offices of the customs, and not restored to the captains until their departure from the port. Those restrictions and exactions amount to almost a prohibition.

Germany.

When it is considered that the consumption of American tobacco in Germany and Holland is estimated at 53,000 hhds. annually, (40,000 of which finds its way into Germany alone,) being more than half of the whole annual exports from the United States, it is to those countries our attention should be more particularly directed; and to ascertain, if practicable, the causes of the present depressed state of the tobacco market, and the remedy which should be applied.

It is not the import duty paid in the ports of the Atlantic last mentioned we had a right to complain of, but the *restrictions* and transit exactions in the interior, which press so heavily upon the planter; and which bear no analogy to the various articles admitted into the United States from those countries, although either free of duty or at a reduced rate.

The *import* duty upon tobacco in Amsterdam, Rotterdam, Bremen, and other ports of Holland and Germany, is merely nominal; but it cannot be introduced into the interior of Germany, where the largest quantity is consumed, without paying a duty of 11 Prussian dollars, equal to \$7 40 American, on one hundred-weight of manufactured tobacco, or on unmanufactured, (which is generally shipped in hogsheads,) of \$5½ Prussian, or \$3 70 American, upon the hundred-weight; which is about one hundred per cent. upon the average price of tobacco shipped from the United States.

By reference to the commercial regulations existing between the United States and foreign Governments, we find that the estimated value of United States tobacco taken by the *regie* in France in one year amounted to 3,000,000 francs; whilst her exports to the United States, of silks alone, during the same year, amounted to 59,000,000 francs; and her wines, brandies, liquors, and cordials to 7,500,000 more. These articles of luxury are admitted into the United States at a nominal duty, at the same moment when our tobacco (a luxury in France) is almost entirely prohibited.

And now, when it is proposed to reduce still lower the duties upon her

exports, no modification has been made in relation to the onerous burdens imposed upon our tobacco.

This reduction of duties upon her silks has been made at a time, too, when the extension of the growth and manufacture of that article in the United States was becoming of great interest to the country; and the free introduction of which must very materially affect another important staple, either in the growth or manufacture.

From England we admit into the United States very many articles at a reduced rate, and others entirely free of duty, operating to the prejudice of the industry of many classes of our own citizens, whilst she taxes our tobacco almost a prohibitory duty.

In the interior of Germany it has already been shown that these exactions and restrictions are oppressive in the extreme to the tobacco planters of the United States, amounting to one hundred per cent. upon the original cost. And as if these were not sufficiently onerous, a distinction is made in Holland and Belgium between Maryland tobacco and all others from the United States. Virginia, and all other North American tobacco, *except Maryland*, pays an import duty of 1 franc 40 centimes, and transit duty of 1 franc 30 centimes; when Maryland pays 1 franc 60 centimes import, and 1 franc 60 centimes transit duty upon 100 lbs., being about 14 per cent. higher than all other tobacco: thus presenting the singular anomaly of taxing the same article from one of the United States a higher rate of duty than from all others. Why this distinction should have been made, your committee are unadvised of. The existence of the facts is sufficient to show that the interests of the tobacco planters have not met that fostering care in foreign countries which has been so liberally extended to other classes of our citizens, and other interests both at home and abroad.

The committee with great pleasure acknowledge the benefit they have derived from the long experience and practical information furnished by Mr. Joshua Dodge, American consul at Bremen, whose attention to the tobacco interest seems to have occupied much of his time whilst in France and Germany, where he has resided for several years, and to whom they are indebted for the annexed communication.

In connexion with the subject, your committee find that a treaty of "friendship, commerce, and navigation between the United States and the free Hanseatic republics of Lubeck, Bremen, and Hamburg," was concluded on the 20th December, 1827, to continue in force for twelve years from the date of the treaty, and for one year after notice should be given by one of the parties to terminate it. This treaty, although based upon the principle of reciprocity, in the practical result has failed to prove so to the United States.

By a statement prepared by our consul at Bremen with great care and labor, in four tables giving the amount of articles imported from the United States into that port; the arrivals and departures of American and foreign vessels; the quantity of tobacco entered at Bremen for the years 1828 to 1835, inclusive; it will be seen that the effect has been to throw almost the whole of the carrying trade from American to foreign vessels. Thus the number of hogsheads of tobacco entered at that port in 1828, in American vessels, was 13,417; and in foreign, 4,737; in 1835, only 6,346 hogsheads in American, and 18,661 in foreign vessels; making a difference, in the tobacco trade alone, of more than six to one against the American vessels.

The number of American vessels from the United States to the port of

Bremen in 1823, was 47, and of those belonging to Bremen from the United States, 15; and in 1835, the number of American vessels was reduced to 27, and those of Bremen increased to 55. The number of *departures* of American vessels in 1823 was 42, and of Bremen for the United States, 15. The departures of American vessels in 1835 had decreased to 17, and those of Bremen increased to 64. The number of American vessels cleared for the United States in 1835 with passengers; was, for New York 1, New Orleans 3, Baltimore 5; total 9. Foreign clearances, 29 to New York, 26 to Baltimore, 11 to other American ports; total, 66 foreign vessels to the United States, and but 9 American.

Thus it will appear, that since the conclusion of that treaty, placing those Governments upon a footing with the most favored nations, the shipping interest of the United States has been materially affected. This treaty is to be in force until December, 1839, and for twelve months after notice to discontinue it shall have been given by one of the contracting parties.

Your committee do not perceive any obligation on the part of the United States to continue in force that treaty a moment longer than the time allowed for its discontinuance, no reciprocal benefit having been derived to the United States.

In comparing the tariff of duties laid in the United States upon importations from foreign countries with the burdens imposed upon American tobacco in those countries, we are forcibly struck with the want of reciprocity as relates to this particular staple.

At the moment when the Government of the United States have so modified her imposts, as to admit various articles from England, France, Holland and Germany, at a nominal, and others entirely free of duty; and when it is proposed further to reduce the duties upon other articles still lower, and some free of duty; we cannot doubt that a similar spirit will animate those foreign Governments to which our tobaccos are exported.

We do not desire to interrupt in any manner whatever the friendly relations existing between the United States and any foreign power, nor do we wish to interfere with the present laws imposing duties on imports.

But in protecting the great interests of our country, both at home and abroad, we should not overlook one which is so materially important to a large and respectable class of our citizens in six States of the Union, and who have never, heretofore, asked the interposition of our Government; and whilst all other interests have been legislated on, or negotiated for, and the tobacco planters of the United States, with an export of a staple bringing in return \$9,000,000 annually, have paid heavy duties on articles, the very means of its production, their interests have heretofore been entirely left to the mercy of foreign Governments and their agents.

It is therefore confidently trusted that the Executive of the United States will adopt such means as may be deemed best calculated to relieve the tobacco planters of our country from the heavy and unequal burdens imposed by foreign Governments upon that staple; and that direct and specific instructions will be given to our ministers and other agents abroad to use their exertions to effect this object.

The committee therefore recommend the adoption of the following joint resolution:

Resolved by the Senate and House of Representatives, That the Presi

dent be requested to instruct the ministers and other representatives of this country in France, England, Russia, Prussia, Holland, and Germany, to negotiate with the respective Governments to which they are accredited, for a modification of the duties and restrictions upon tobacco imported from the United States; and that he be also requested to appoint special agents to negotiate in like manner with the Governments of those countries into which tobacco is imported under similar restrictions, that have no accredited representatives from the United States.

WASHINGTON, *February 3, 1837.*

GENTLEMEN: A select committee of the honorable House of Representatives having been appointed to inquire into the causes of the diminution in the exports of that great staple commodity of our country, tobacco, I respectfully beg leave to submit to the said committee some observations, drawn in most instances from personal experience, which may perhaps serve to throw some light upon this highly interesting subject—a subject not only interesting to the tobacco planters, but which interests, either directly or indirectly, almost every class of our citizens. The value of that article now exported has averaged from 1830 to 1835, inclusive, about six millions of dollars; this serves to keep down foreign exchanges, thus placing it in our power to pay at a less price for those articles of foreign produce or manufacture which either the comforts or the luxuries of our population demand. Should this amount in our exportations be diminished, the foreign exchanges would naturally be against us, in proportion to the diminution in the exports of tobacco; and if means can be devised to increase the consumption of that article in Europe, it stands to reason that we can import foreign produce at a cheaper rate: this serves to show that all classes of our community are interested in the success of the tobacco planter.

If it is wished to particularize, it can be easily shown that the ship-owners in the United States would be greatly benefited by an augmentation in the export of tobacco; this is so palpable, that it requires but a short argument to prove its truth, to any one disposed to doubt its correctness. The great object of the freighting ship-owner is to obtain a full freight for his vessel; consequently, the bulkier the article, the greater chance he has of filling up his vessel; and if that article unites at the same time heaviness with bulk, it saves him from the extra expense of ballast, which, in loading many other articles, he finds it necessary to take, in order to have his vessel in proper trim. Tobacco is consequently the article of our exports which unites, in a peculiar degree, all those advantages; and it therefore becomes of the utmost importance to our ship-owners to augment as much as possible the consumption of that article in Europe, and, by so doing, to increase its exportation. And we should likewise bear in mind, that if some means are not found to increase its consumption in Europe, those two great agricultural States, Virginia and Maryland, whose lands are peculiarly adapted to the cultivation of tobacco, will greatly suffer, and many of their inhabitants will find it necessary to seek in other quarters of our country for land suited to the cultivation of some other article, probably cotton; thus increasing the quantity grown of the last named article beyond the wants of the consumer, and consequently diminishing its price. This shows that the cotton planter

is deeply interested in the success of the tobacco grower, and in the increase of its consumption in Europe.

It appears, from tables on file at the Treasury Department, that the exportation of tobacco to various countries of Europe, has from 1830 to 1835, inclusive, been as follows: To Russia in five years, 346 hogsheads; to Prussia in 1834, 10 hogsheads; Sweden and Norway, 11,999 hogsheads; Holland, 126,352 hogsheads; Denmark, 1,578 hogsheads; to Belgium in three years, 6,139 hogsheads; England, 164,451 hogsheads; Scotland, 537 hogsheads; to Ireland in four years, 606 hogsheads; Gibraltar, 14,279 hogsheads; Hanse towns, 133,098 hogsheads; France, including its ports on the Atlantic and on the Mediterranean, 30,328 hogsheads; Spain, including its ports on the Mediterranean and on the Atlantic, 14,282 hogsheads; to Portugal in four years, 1,062 hogsheads; Italy, 5,640 hogsheads; to Sicily in 1835, 25 hogsheads; to Trieste (Austria) in three years, 87 hogsheads; and to all other parts of the world, 31,980 hogsheads; making a total of 542,819 hogsheads, and averaging annually 90,469 hogsheads.

The foregoing shows the countries exported to, as cleared at our custom-houses; but the point to which your honorable committee wish to arrive at, is, to know in what countries the foregoing stated quantities are consumed. I will therefore respectfully state the number of hogsheads of American tobacco which, from statistical information, acquired mostly by personal knowledge, I consider are consumed in several of the most important countries of Europe.

The exportation, as aforementioned, of 164,451 hogsheads to England during six years, gives an annual average exportation of 27,408 hogsheads. I consider that about 10,000 hogsheads thus exported direct to England, and without being landed in that country, find their way to Belgium, Holland, and the Hanse towns, and about 1,000 hogsheads to the Baltic; and from the ports of Belgium, Holland, and the Hanse towns, the greatest proportion is sent by transit to the interior of Germany, where it is finally consumed. Consequently, England may be considered as consuming about 16,000 hogsheads annually. The consumption of that article is greatly checked in England by the enormous duty of three shillings sterling per pound, and it is only astonishing that, with a duty of about seven hundred per cent. on its original cost, still so large a quantity is consumed in that country; and it would be no more than reasonable to suppose that, if that duty were reduced to within any reasonable bounds, the consumption of tobacco would increase in a few years to over 30,000 hogsheads annually.

France, in six years, has taken, according to the clearances at our custom-houses, only 30,328 hogsheads, making an annual average of about 5,054 hogsheads; but I consider that about 1,000 hogsheads annually of that which is cleared for Gibraltar find their way to the Mediterranean ports of France; making, consequently, an annual consumption in France of only about 6,000 hogsheads of American tobacco; and this for the consumption of a great tobacco consuming country of thirty-two millions of inhabitants. This arises from the oppressive system of the *regie* permitting tobacco on importation to be sold for consumption to only one purchaser, the *regie*. It is true that tobacco can be put in *entrepôt réel* for a certain length of time, and that it can be sold from hand to hand to speculators; but still it must finally be sold to the *regie*, or exported from France. The manner of disposing of it to the *regie* is open to many abuses. On certain days, a con-

course for the sale of tobacco is publicly advertised by the *regie*, and those that are disposed to tempt their fate have each hogshead examined by persons appointed at each principal entrepot by the *regie* to draw samples; these samples are sealed up and forwarded to Paris, accompanied by the written prices of the persons wishing to sell, also sealed. On the day appointed, the various samples are opened, as also the sealed papers stating the prices; and it is then declared which parcels shall be purchased by the *regie*. The samples of the tobacco so purchased, are then resealed and sent to the port where the tobacco is to be delivered; and if the persons appointed by the *regie* declare that the tobacco is conformable to the samples, it is received. The tenacity with which the French Government hold to the system of the *regie* arises, undoubtedly, from the great patronage which it enables them to bestow upon at least 30,000 persons interested either in its manufacture into snuff or cigars, or in the retailing of the same at the innumerable bureaus of tobacco throughout France; for it is only by special favor that a person can thus obtain a bureau for the sale of those articles. It is a system which preys heavily upon the French people, for it has been the means of forcing upon them the cultivation of a very inferior quality of tobacco, subject to many vexatious restrictions; as, for example, a person cultivating tobacco must inform an officer of the *regie* of the number of plants which he has, and which, after an examination by that officer, are noted in a book, as well as the number of leaves there are upon each plant; and the cultivator must account, under a heavy penalty, for each plant and leaf. This system has likewise the double effect of making tobacco very dear to the consumer, and of obliging him to use a very inferior quality.

The duty in France is very trifling, being rather less than one cent, American currency, per pound—say ten francs per 100 kilogrammes. This duty is only paid when the article is sold to the *regie*; for when the article is sold for exportation, the export duty is only twenty-five centimes, (about five cents,) per 100 kilogrammes. With all these restrictions, the consumption of tobacco is great in France, although but a small quantity of American tobacco is consumed.

I consider that the quantity of tobacco grown in France has averaged, during the last six years, about 31,000 hogsheads; thus making the annual consumption of that country about 37,000 hogsheads. From a long residence in France, during most of the time from 1813 to 1830, ten years of which I had the honor of being the United States consul at Marseilles, and having always been desirous of obtaining every statistical information I possibly could respecting such articles as might be interesting to our country, I examined very particularly into the article of tobacco, and I know that the tobacco grown in France is of a very inferior quality; that it requires a very great proportion of American tobacco to make it any ways palatable; and I am fully convinced that both the French Government and the American planters would greatly gain by the system of the *regie* being done away with, and a duty of even three cents a pound would be far more favorable to both parties than the present system; for France would raise a much greater nett revenue than it does at present, and our tobacco planters would soon have a market for at least 30,000 hogsheads yearly. By doing away with the *regie*, and substituting even a high duty, the consumption would soon greatly augment, as the French people would then be enabled to obtain their snuff, cigars, &c., at a much cheaper rate, and of a far better quality than they do now.

Belgium.—There has been exported to that country, according to clearances at the custom-houses, during three years, from 1833 to 1835, inclusive, 6,139 hogsheads—making an annual average of direct exportation from the United States of 2,063 hogsheads; besides which, it is probable that about 1,000 hogsheads have gone there in vessels that have cleared for Cowes and a market—making about 3,000 hogsheads of American tobacco annually imported into Belgium; of which I should think that at least one-fifth was sent into the interior of Germany by transit, leaving about 2,400 hogsheads for the annual consumption of that country. The duties are as follows: On Virginia and other North American tobacco, in rolls or leaves, (except Maryland,) one franc forty centimes per 100 pounds of Belgium, being about $11\frac{3}{4}$ cents per 100 pounds avoirdupois; on transit of same, one franc thirty centimes, equal to about 11 cents per 100 pounds avoirdupois. On Maryland tobacco the duty is higher; say in rolls or leaves one franc sixty centimes, and on its transit the same duty is paid of one franc sixty centimes, being equal to about $13\frac{3}{4}$ cents per 100 pounds avoirdupois. It is in contemplation to continue the rail-road from Antwerp on as far as Cologne, in Germany; should this be done, a large proportion of the middle states of that country will get their supplies by Antwerp, by transit through Belgium; it would, therefore, be well to endeavor in time to get the consumption duty, and transit duty, on Maryland tobacco brought down to the same rate of duty as that paid on Virginia and other North American.

Holland.—The direct exportation from the United States has been, from 1830 to 1835, inclusive, 126,352 hogsheads—making an annual average of about 21,058 hogsheads, to which ought to be added about 3,000 hogsheads by vessels having touched at Cowes, or from the depots in England—making a total of importations into Holland of 24,000 hogsheads annually; of which about one-half is probably sent to the interior of Germany. The duties in Holland are: On Virginia and other North American (except Maryland) in rolls or leaves, 70 centimes per Dutch 100 pounds, equal to about 13 cents per 100 pounds avoirdupois; and on transit of same, 65 centimes, being equal to about $11\frac{3}{4}$ cents per 100 pounds avoirdupois. On Maryland, in rolls or leaves, the duty is 80 centimes, equal to about 13 cents per 100 pounds avoirdupois; the transit duty on Maryland, in rolls or leaves, is 80 centimes, being the same as the consumption duty.

The Hanse towns of Bremen and Hamburg, (as for Lubeck, it is a town having none or little commerce with the United States, and probably not one hogshead has been exported to it for years; but to the two ports of Bremen and Hamburg) a considerable commerce is carried on with the United States. Bremen has engrossed nearly all the tobacco trade; and since the treaty of December, 1827, its vessels have engrossed nearly all the carrying trade from the United States, for the supplying the interior of Germany, which the tables accompanying this will show. I have prepared the said tables with the strictest attention to accuracy, and it will be seen that, from 1828 to 1835, inclusive, there have been imported into Bremen, including the bales, packages, bags, &c., (which, without now entering into detail, I will estimate at about) 183,000 hogsheads, including the importations of stems and scraps. I have no means of knowing accurately what the imports have been into Hamburg during the same period of eight years.

In order, however, to make a comparison between the clearances direct for the Hanse towns, and my tables showing the actual importations into Bremen, it will be well to take the amount exported direct, from 1830 to

1835, inclusive, as mentioned in a former part of this letter, which was 133,098 hogsheads; but according to my tables, during the same period there were imported into Bremen (which, without entering into detail, I will estimate at) 150,000 hogsheads of tobacco, tobacco stems, and scraps; to which, if we add about 18,000 hogsheads as the importation into Hamburg during the same period, it will give a total of 168,000 hogsheads—making an excess over the amount declared at our custom-houses as exported direct to the Hanse towns from 1830 to 1835, inclusive, of 34,902 hogsheads. This arises from many cargoes having been cleared for Cowes and a market, and several of them having found their way finally to the Hanse towns: this makes an annual average importation into Bremen of about 25,000 hogsheads, and into Hamburg of about 3,000 hogsheads. I consider that not over 1,000 hogsheads are annually consumed in both those cities, and that the balance is sent into the interior of Germany, where it is finally consumed. The total amount consumed in the interior of Germany, I consider to be about 40,700 hogsheads; and if we include the 1,000 hogsheads consumed in Bremen and Hamburg, and about 500 hogsheads which probably go from Cowes or some other English port to the Prussian ports on the Baltic, it would make a total of about 42,200 hogsheads as the annual average consumption in Germany (not including Austria) of American tobacco.

When we consider the habits of the people of Germany, where smoking is indulged in from the highest to the lowest, this is a small quantity in comparison to that which would be consumed, were the duties diminished on its consumption in the interior.

As I have already shown, the consumption in Bremen and Hamburg is probably not over 1,000 hogsheads annually, and the duty in those two cities is, in Bremen $\frac{3}{4}$ per cent. on its declared value, and in Hamburg $1\frac{1}{2}$ per cent.; but it is to the duties levied in the interior of Germany, where we must look to find the real cause which prevents an increase of consumption.

Germany proper (not including the Polish provinces now belonging to Austria and Prussia) contains 11,502 German square miles, and $35\frac{1}{2}$ millions of inhabitants; thus making a dense population of 3,087 persons to each German square mile. We must bear, also, in mind, that the same rate of duty on tobacco is levied in the ancient Polish provinces now belonging to Austria and Prussia, as is levied in the other provinces of those two countries.

Prussia.—By the Prussian tariff, American unmanufactured tobacco and tobacco stems pay a duty of 5 rix-dollars and 15 silver groschens per quintal of 110 Prussian pounds, being equal to \$3 31 per 100 pounds avoirdupois; and manufactured tobacco pays a duty of 11 rix-dollars per quintal, equal to \$6 62 per 100 pounds avoirdupois.

In March, 1833, a confederation of the customs was formed between Prussia, the Prince Electoral Co-Regent of Hesse, the Grand Duke of Hesse, and the Kings of Bavaria and Wirtemberg, by which the Prussian tariff was adopted throughout their territories; since that period, most of the other German States have joined the confederation, with the exception of Austria, the Hanse towns of Bremen, Hamburg, and Lubec, Oldenburg, Hanover, Holstein, and Sachsen Lauenburg. Hanover will unquestionably join the confederation the moment the present King of England ceases to exist, and the Princess Victoria comes upon the throne of Great Britain;

for Hanover, being a male fief, will then descend to the Duke of Cumberland, who is closely allied with Prussia; Oldenburg will probably follow; and thus, in a few years, the same rate of duties will be levied throughout, with the exception of Austria, the three Hanse towns above mentioned, and Holstein and Sachsen Lauenburg belonging to Denmark. It, therefore, becomes of the utmost importance to the tobacco planter to turn his attention to Germany, which offers, from the habits of its people, a great increase in the consumption of tobacco, if the duty in that extensive country should be diminished. This, from the enlightened policy of Prussia, and the friendly feelings which exist in that Government towards the United States, and from a personal knowledge of Germany, I feel confident can be effected; but we must bear in mind the peculiar nature of the numerous German States which compose their confederation, that Prussia has but one voice in the league, and that therefore it is not simply by convincing Prussia alone of the sound policy of diminishing the duty on that most important article of our exports that we can hope to succeed, but that each one of these States, naturally jealous of the influence of Prussia, must likewise be convinced of its good policy: this, in my humble opinion, can be effected. During the last three years that I have been living in Bremen as consul of the United States, I have devoted myself to the obtaining of information respecting the immense resources which Germany offers in connexion with our commercial interests, and also with the important interests of the tobacco and cotton planter; and in my late journey through that country, which I undertook for the purpose of convincing myself that the information I had succeeded in obtaining was correct, and for the purpose of becoming acquainted with as many of its influential men as I possibly could, I found, in conversing with many of them who enjoyed, from their station, the greatest influence in the various courts, that they were utterly unacquainted with the liberal policy the United States had pursued towards Germany, by taking off the duties entirely on many of its principal manufactures, and in greatly diminishing the duties on the remainder. On my informing them of this liberal policy on the part of the United States, I always asked them whether they ought not, in common justice, to do something for our tobacco: and, I can safely say, that every one I met and conversed with on this subject, invariably agreed with me on the sound policy of so doing, acknowledging that, until then, they were unacquainted with the bearings of the subject, and they always appeared much pleased with the information I gave them; in fact, every thing convinced me that success would inevitably attend our negotiations respecting the diminishing of the duties on tobacco in the interior of Germany, if a proper course is pursued. We have in our hands a powerful engine, which can, if necessary, be made use of; and if properly applied, will, undoubtedly, induce the various Governments of Germany to agree to such a measure—I mean our tariff. I have prepared a statement whilst at Bremen, and which shows the great variety of articles we draw from Germany, and shows, at the same time, the articles which have been admitted free of duty, and those on which the duty has been greatly diminished. By comparing this with the old and new tariffs, your honorable committee will see the former rate of duties, and the present rate as fixed by our tariff of 1833. Among other articles which are now admitted free of duty is linen, which is one of the most important to Germany. In order to show its great importance to that country, I will state a few facts respecting it.

All over Germany linens are manufactured by the weavers in the small villages, who, when they have a piece or some pieces made, bring the linen to the neighboring town, sometimes bleached, and sometimes unbleached. Also the peasants make linen, and sell it in the same manner; so that those towns which in commerce are usually known as manufacturing towns, are, in fact, only where the linen is bought up but not manufactured. The greatest part of the linens manufactured in Suabia, at Memmingen, Ulm, Kempten, Nordlingen, Ludwigsburg, Urach, &c., are exported to France and Italy. Those linens which are exported to the United States via Bremen and Hamburg, come from Silesia, Bohemia, the Upper Lansitz, Westphalia, Hessa, Hanover, and Brunswick. From Silesia, are exported the following: Estopillas, chiefly from Hirschberg; bleached, single platillas, platillas royales; bleached and unbleached Bretagnes; creas, made of bleached yarn; bleached Rouens, Rouens à la Morlaix; casserillos applatillados; cholets, or brown Hollands, and unbleached platillas: all these come from Hirschberg, Landeshut and Breslau, Schweidnitz, Waldenburg, Mittelwalde, Greifenberg, Glatz, Lewin, &c. From Hirschberg, Landeshut and Schmiedeberg, come diapers, table-cloths, and napkins, &c. The Silesia platillas and Bretagnes are considered better even than those made in France or in Ireland. In the Upper Lansitz, are Hernhut, Zittau, Bautzen, Goolitz, Lobau, and Lauben, known by their linen manufactures: at said places are made creas, dowlas, Rouens, damask table-cloths, &c. Sebnitz, in the Saxon bailiwick Hohenstein, manufactures sundry linens, white contils, diapers, &c. In Bohemia, are manufactured platillas royales, bocadillos, Bretagnes and Rouens. Contils are manufactured in Westphalia and Silesia. The linens which are sent to Bremen from Westphalia, Tecklenburg, Ravensburg, Bielefeld, Paderborn, Osnabrug, Warendorf, and Munden, are for the most part of the coarser kinds of linens, and heedens or brown rolls; though at Bielefeld, and in the district of Ravenburg, there are manufactured linens of a much better quality chiefly. The Bielefeld linen or shirting is well known in the United States.

The growing of the raw material, and the manufacturing it into linen, employ a large proportion of the inhabitants of Germany; and the finding a market for its consumption is of the utmost consequence to that country. The accompanying table will also show a great variety of other German articles which are consumed in the United States. Our market, consequently, is of the greatest importance to Germany; and our tariff can be made to operate, in a powerful manner, in overcoming any difficulties that the interior States of Germany might, contrary to sound policy and their own interests, put in the way of a diminution of the duties on tobacco coming from the United States, and consumed within their territories.

It may be proper here to remark, that, in many of the interior States of Germany, tobacco is cultivated; it is, however, of a very inferior quality, and emits, when smoked, a very disagreeable smell; but, from the high duties levied on American tobacco, the peasantry are compelled to use it; and there is no country in the world where so much tobacco is consumed, according to its population, as in Germany.

In Austria, tobacco is an article of state monopoly, and, therefore, very little coming from the United States is consumed. The consumption, however, of our tobacco appears to be increasing. From 1830 to 1832, inclusive, none appears to have been exported direct for Trieste, but in 1833 there were cleared for that port 14 hogsheads; but in 1834, five hogsheads

only were sent direct ; in 1835 the quantity had increased to 68 hogsheads ; and it is very probable, also, that a proportion of that which is sent to Gibraltar is finally shipped to Trieste.

The importation of leaf, as well as manufactured tobacco and snuff, into the German or Italian provinces of Austria, is only permitted by a passport from the imperial tobacco administration.

The duty on foreign tobacco leaf, as American, Levant, Turkish, &c., is 15 florins the centner, equal to \$5 90 the 100 pounds avoirdupois.

Considerable quantities of tobacco are cultivated in Hungary and other parts of the Austrian dominions. The quality is very much like that of the Turkish, which is of a bright yellow, and its leaf is short and broad, and is extremely mild. I particularly refer to the Hungarian tobacco as resembling the Turkish.

Respecting the other States of Europe to which our tobacco is exported, they require but short remarks. According to clearances at our custom-houses, there have been exported direct to Russia, in five years, say 1831, '32, '33, '34, and '35, only 346 hogsheads, making an annual average of 69 hogsheads sent there direct ; but there is no doubt that a much greater quantity of our tobacco is yearly imported into St. Petersburg, probably by the way of England. In 1829 there were imported into that city 30,850 poods weight of tobacco leaf, equal to about 1,114,456 pounds avoirdupois, which, at 1,200 pounds the hogshead, would be equal to 845 hogsheads ; this is probably about the annual average consumption of our tobacco in Russia. The duties are as follows : On tobacco of all sorts, in leaf, with stems, five silver roubles per pood, being about \$10 41 per 100 pounds avoirdupois ; and on leaf stemmed, 10 silver roubles per pood, equal to about \$20 82 per 100 pounds avoirdupois.

To Sweden and Norway, from 1830 to 1835, inclusive, there have been exported direct 11,999 hogsheads, making an annual average of 1,333 hogsheads ; the consumption, however, is undoubtedly greater, for probably several hundred hogsheads are imported via England. The duties are, on leaf tobacco, six skillings, say \$5 33 per 100 pounds ; on tobacco cut in packages, or loose in casks, 12 skillings, say \$10 66 per 100 pounds ; canister, 32 skillings, say \$28 42 per 100 pounds ; spun, twisted, 8 skillings, say \$6 66 per 100 pounds ; carrott, 16 skillings, say \$14 21 per 100 pounds ; stems, 2 skillings, say \$1 77 per 100 pounds avoirdupois ; and on cigars, 1 rix-dollar per 100, say 40 cents per 100 cigars.

Denmark.—The direct exportation to that country from 1830 to 1835, inclusive, has been 1,578 hogsheads, making an annual average of 263 hogsheads ; but it is probable that some has gone from England. The duties are, on tobacco leaves and stalks, 2 Rigsbank dollars 8 skillings, say 94 cents per 100 pounds ; for smoking, common, or Porto Rico, 6 Rigsbank dollars 24 skillings, say \$2 83 per 100 pounds ; snuff, common, as also rappee, in sticks and rolls, 8 Rigsbank dollars 32 skillings, say \$3 78 per 100 pounds ; on ground rappee, Spanish snuff, as also whole and cut Spanish tobacco and cigars, 20 skillings, say 19½ cents per pound avoirdupois.

Gibraltar.—Very little tobacco is consumed there ; that which is cleared at our custom-houses for that port is distributed throughout the various ports of the Mediterranean and Adriatic.

Spain.—The quantity exported direct to the ports of that country has been, from 1830 to 1835, inclusive, 14,282 hogsheads, making an annual average of 2,380 hogsheads ; to which, probably, may be added about 700 hogsheads

imported from Gibraltar. By a decree, signed and sealed by the King, the 20th November, 1820, it was declared that, from the 1st March, 1821, the traffic, commerce, manufacture, and sale of tobacco, whether in leaf, in cigars, papers, pajillas, in carrots, pigtail, rappee, in fine snuff, in any form best suited for consumption, shall be free throughout the peninsula and the adjacent islands, subject only to the restrictions imposed on other goods of consumption.

As I consider the subject to which the attention of your honorable committee is directed as one of the utmost importance to the prosperity of our common country, I beg leave to state, that if I can, in any manner, be made useful in forwarding the great interests of the tobacco planters, I should be extremely happy in so doing.

And I remain, gentlemen,

With the highest sentiments of esteem and respect,

Your most obedient servant,

JOSHUA DODGE,

United States Consul, Bremen.

To the Hon. DANIEL JENIFER,

*Chairman of the Select Committee of the House of
Representatives on Tobacco.*

