TENCH COXE, AMERICAN ECONOMIST:
THE LIMITATIONS OF ECONOMIC THOUGHT
IN THE EARLY NATIONALIST ERA

BY JACOB E. COOKE

TENCH COXE, a Tory during the Revolution and then successively a prominent Philadelphia merchant and big land speculator, Alexander Hamilton's assistant in the Treasury Department, and a stalwart Jeffersonian, is best remembered as a political economist, a precursor of the so-called "American School" of economists, including men like Daniel Raymond, Henry Carey, John Rae, and Friedrich List. Now that Coxe's large collection of papers, privately held by his descendants for almost a century and a half, are open to scholars it is apparent that he might also be viewed as an exemplar of other developments of his day. But it was as an economist that he earned his contemporary repute, and his writings were far more voluminous than hitherto suspected. Their significance is owing, however, to something other than their contemporaneous impact or quantity. They are representative of the thousands of articles on economic subjects that then filled the columns of American newspapers and magazines, an abundant outcropping that affords a suggestive clue to the mood, intellectual condition, and aspirations of a period generally regarded as formative. It was what now would be termed promotional literature, but these authors characteristically considered themselves economists.

To read Coxe's economic writings is to be reminded of de Tocqueville's comment that the American mind is either concentrated upon the practical and parochial or else diffused in formless reverie and that in between lies a vacuum. Coxe, Philadelphia merchant qua political economist, clearly exemplifies the first of these alternatives. The activist temper of his mind, his functional interest in ideas, exalted practical knowledge; for him, moreover, thought did not guide actions, but actions defined thought, or made it unnecessary. It was not a carefully reasoned much less a philosophical position, for he was blithely unaware of the conventional dualism of theory.

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and practice. To him what was useful was good and what was good could best be described by incontrovertible statistical data. In his avid collection of facts and figures, he seldom was inclined to ask and answer awkward questions. Their meaning was implicit and self-evident: The short history of the United States as a nation demonstrated that society could progress by conscious human effort. Its political, cultural, and, above all, economic advance was one of the most remarkable success stories in the annals of history. Even so, its actual accomplishments were like a spring seedbed bearing the signs of an approaching and luxuriant summer.

Although many of his observations may appear to a later generation singularly platitudinous and a good many of his ideas merely the common coin of the time, his message nevertheless was needed and was congenial to a generation supremely conscious that the development of commerce and industry were eroding the mores of an agricultural society. He also spoke on behalf of an influential and farsighted group of Americans who believed that prosperity and greatness must be predicated on a balanced national economy, including particularly a thriving state of manufactures. Two central ideas ran through his writings: a conviction that change was an inevitable and welcome condition of American development and a belief that the inevitable result of change was individual and social progress.

These themes and ideas were expressed in his most ambitious research project of the 1790s, "A brief examination of Lord Sheffield's observations on the commerce of the United States of America," published first serially in newspapers and then in pamphlet form in 1791. Sheffield, an English landowner who, immediately following the American Revolution, was preoccupied with maintaining the full vigor of his nation's Navigation Acts—"guardian," he said, "of the prosperity of Britain," was the spokesman for many of his countrymen who heralded him as "the tribune of the shipbuilders.

1 A brief examination of Lord Sheffield's observations on the commerce of the United States of America" was printed in the American Museum in March, April, May, June, and July of 1791, and in the Philadelphia Gazette from April to August, 1791. To these six articles Coxe, on "further reflection," added "a seventh number and . . . two additional notes on American manufactures." The work thus enlarged was published in pamphlet form by Carey, Stewart & Co. in Philadelphia, in November, 1791. An English edition, edited by Chapel Lofft, was printed by Phillips & Co. in 1792. The articles were published in 1794 as chapter VIII of Book I of Coxe's A View of the United States (Philadelphia, 1794).

2 John, Lord Sheffield, Observations on the Commerce of the American States (London, 1784). 1. Although the first printing of Sheffield's Observations was in 1783, the citations below are to the much enlarged edition of 1784.
and shipowners." An influential, persuasive, and intractable opponent of the claims of England's former colonists to a preferred position within her commercial system, Sheffield argued instead that the citizens of America, "this now foreign and independent nation," could not expect to enjoy both the benefits of British subjects and the rewards of independence. "The whimsical definition of a people sui generis," he wrote in a passage that (perhaps because of its plausibility) especially irritated Coxe, "is either a figure of rhetoric which conveys no distinct idea, or the effort of cunning, to unite at the same time the advantages of two inconsistent characters." To demonstrate "the levity and ignorance" of those who proposed trade concessions to the United States, Sheffield carefully examined the state of the American economy—the nature of the domestic trade, local and foreign trade, manufactures, and imports and exports. "What are the wants of America," he asked, with what can England "provide her," and "what are the productions which America has to give in return?" Nothing that need cause his countrymen sleepless nights, Sheffield answered. Neither conciliation nor concessions to the new nation were necessary, a conclusion in support of which he offered elaborate statistical tables on the American economy. Should England fear that a feeble union of thirteen quarreling states could agree on concerted action? To the contrary, the felicitous result of British enforcement of her acts of trade and navigation would be a virtual monopoly of the British West Indian carrying trade, much of which had been pre-empted by the Americans before the Revolution. Nor need Britain worry about losing a lucrative market for her manufactured goods. No matter how restrictive British policy might be, Americans would continue to show a preference for British manufactures. They would not develop manufactures, and their demand for British goods would increase in proportion to their population. Sheffield, whose work went


5Ibid., 1.

6Ibid., 6.

7This is based on Coxe's summary of Lord Sheffield's argument. See Coxe, *A View of the United States*, 260. For a description of *A View*, see note 58 below.

Nathaniel Hazard shared with Coxe his "opinion that Silas Deane was a principal in Sheffield's Observations &c. The eccentric Genius from whom I obtained my Information, arrived here Yesterday, from New England. He tells me Mr. Deane furnished most of the Materials respecting America, to Lord Sheffield; which he shewed him in Manuscript." Hazard to Tench Coxe, April 16, 1792. Tench Coxe Papers, Historical Society of Pennsylvania (HSP).
“through six enlarged editions,”8 obviously told Englishmen what they wanted to hear. But many Americans, angrily unreceptive, asked instead if their nation was in fact so weak that foreign critics might thus assume a congenital and inoperable infirmity.

Coxe, convinced that such a diagnosis was largely mistaken when made and outmoded by his country’s new frame of government, gave an emphatic negative. He asserted that Sheffield’s “contemptuous menaces” had encouraged among some Americans misplaced doubts about their own success and prowess and re-enforced the erroneous conviction of many Englishmen that “they have the world at their command.”9 Coxe promised to dispel error by the light of reason. The essays that followed demonstrated that to him, as to European exponents of the Enlightenment, the primary function of reason was not so much to discover fundamental laws as to uncover facts. To Coxe, Anglo-American differences were primarily differences of fact, and “facts, accurately ascertained and candidly stated” would shed “the light of indisputable truth,” enabling nations “to discover the ground of common interest.”10 That he failed to see that what is fact to one nation may be falsehood to another or that among nations truth is seldom indisputable, reflected both his confident patriotism and the unreflective cast of his mind. What he did clearly and correctly perceive was that “wisdom in negotiating nations” consisted of a diligent “search for their common interests, as the fittest ground of treaty” and that, this done, the United States and Great Britain could reach a “salutary and reasonable” accord.11

Although the promise of brevity made in the title of A Brief Examination of Lord Sheffield’s Observations . . . was not kept, Coxe, unfortunately for his readers, stuck faithfully to the pledge he made in his first essay that “little regard will be paid to order.”12 The formlessness of his work was partly owing to the organization of Sheffield’s book (though the same cannot be said of its lack of coherence), one-half or more of which was devoted to American imports from Europe which were divided “into those in which Great Britain will have scarce any competition; those in which she will have competition; and those which she cannot supply to advantage.”13 In refutation, Coxe centered his attention on those arti-
icles for which Britain allegedly would encounter little competition. He also randomly discussed production in the United States of those listed under Sheffield's other two categories. Coxe's technique was to compare the statistics presented by Sheffield in 1783 with his own compilation of statistics for the years 1789 and 1790. In this organizational plan lay both the major strength and the greatest shortcoming of his work—the statistics he presented effectively refuted his antagonist's allegations while drowning his own readers in a sea of facts. Nor did he question the dubious intellectual propriety of premising one's research on certain fixed ideas and then selecting only such data as proves one's original assumption. What he transparently did was to ferret out facts consonant with his own view of what recent American history should have been. In this sense, though he did not recognize the affinity, he shared with the eighteenth-century philosophers the idea that the past had to be imagined if it was to be of any use.

Implicitly equating the recent history of the United States with progress, moral as well as material, Coxe's theme was America's tremendous expansion in population, wealth, and territory. As sanguine of the American future as he was proud of its past, he trained his heaviest barrage of facts on Sheffield's complacent assumption that the United States indefinitely must remain an economic vassal of Britain. Offering reams of statistics in support of his argument, Coxe replied that the United States increasingly was importing manufactures from other countries. As its population increased, its manufactures were growing by leaps and bounds. It remained only for Americans to pursue policies that would accelerate such trends. Instead of slavishly cultivating commerce with Britain, he wrote, the United States would be more wise to court the capitalists, manu-

14Coxe's basic organizational technique was to contrast his own statistics with those presented by Sheffield in 1783. Coxe also picked out from the Englishman's text statements as especially mistaken, using them as topic headings for his counter-argument. Coxe's method—as well as the nature of his pamphlet—can be illustrated by what he wrote under the heading "Naval Stores." "It appears to Lord Sheffield," he wrote, "that Russia will interfere much with the American states, in the supply of these commodities." To refute the argument, Coxe compared the quantities exported in 1771 (Sheffield's base year) and in 1791: in the former approximately 108,500 barrels, worth $156,000 were exported; in the latter, 122,800-odd barrels valued at about $218,000. "From this increase of value it appears," he then concluded, "that the United States have not suffered from the competition of Russia or any other country; but that in this article, like most others, we experience the advantage of being an open market, free from the British monopoly, which existed before the revolution." Coxe, "Brief Examination," American Museum, IX (May, 1791), 233. As with naval stores, so with Sheffield's remarks on other articles.

15Coxe, A View, 260.
turers, and artizans, of the several kingdoms of Europe, which are overcharged with private wealth and population."

Instead of exchanging the products of American agriculture and extractive industries for foreign manufactures, the United States, producing an abundance of raw materials and possessing unlimited resources of power, should encourage its own manufactures, "protected by its own laws."

Awareness of "the immense savings and the extensive advantages" to be derived would, Coxe predicted, "make converts of the whole nation, though gradually, yet infallibly." Such happy prospects, however, depended on willingness of his countrymen to cut the economic ties that still bound them to England.

The latter issue was to Coxe subsumed under "the general question of reciprocity." If other countries granted the United States advantages denied by England, then the latter had no "claims to a participation in the commerce of the United States" equal to those of more friendly nations. Nor had Britain any just cause of complaint if the Americans adopted "countervailing regulations."

To answer those so foolhardy as to detect at least a degree of reciprocity in Anglo-American commercial relations—and perhaps he had in mind his boss in the treasury department, Coxe contrasted the restrictions imposed by each country by listing them in parallel columns. The inescapable conclusion to be drawn from the comparison was as clear as it was simple: "the absolute and important truth" that the commercial impediments placed by American laws on trade with Great Britain "are much less considerable" than the corresponding and gratuitously harsh restrictions and prohibitions imposed by the British. Equally clear was the outcome of such an unjust disparity: "The currents of commerce, like those of the rivers,
will certainly be turned from that side where obstructions are created."  

Coxe apparently believed that nature might be assisted by man-made dams: Perhaps the time had come, he asserted, for Congress to increase the country's moderate import duties, currently averaging about 8 percent, to a figure ranging from 14 to 33 1/3 percent and to impose an outright prohibition on the importation of other articles. Any attempt by England to retaliate could only benefit Americans who might then not only transport their own goods in their own vessels but manufacture at home or ship to other nations such articles as were normally sent to Britain.  

Yet more damaging to the British commercial system was the possibility that American success might encourage similar measures by other nations, leaving that country hemmed in by restrictions similar to those imposed by her own navigation acts which, according to Sheffield, were the cornerstone of national prosperity. Coxe's ideas, although presumably arrived at independently, were exactly those also advocated by Jefferson and Madison and were fast becoming good Republican party doctrine.  

The position was also superficially plausible, but it took for granted the very things that needed to be proved: Was England, in fact, so dependent on the American market that she would bow to commercial pressure? Conversely, was not American dependence on Britain so great as to make retaliation a form of national masochism? Was the American economy poised for an economic take-off? Was national aspiration a proper basis for policies directed against nations in contrast to whom America, whatever her future, was in fact economically underdeveloped and militarily powerless?  

Coxe's A Brief Examination succeeded, nevertheless, in demonstrating that Sheffield's Observations were more an expression of British prejudices and wishful thinking than an ac-

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23 Ibid., 250.
24 Ibid., 251.
25 Coxe, "Brief Examination," American Museum, IX (May, 1791), 235. To Coxe, the shortsightedness of Sheffield was nowhere more apparent than in his assertion "that it would be impolitic in Great Britain, to admit American vessels into her West India islands." In controverting this argument, Coxe had the advantage, of course, of having conducted an extensive trade between Philadelphia and the British West Indies for more than fifteen years. His mastery of detail as well as his conviction stood him in good stead, for his argument in favor of a liberalization of this aspect of English mercantilism was able and persuasive. It was a condition and not a theory that confronted Great Britain, Coxe said. Whatever benefits might accrue to the United States from an opening of the trade, it was an indispensable condition of West Indian prosperity. The promotion of this, far from damaging British interests, would enhance her wealth and power. Ibid., American Museum, IX (April, 1791), 180-82.
curate prediction of the American future. For Sheffield’s view of the United States as an agricultural nation dependent \textit{in perpetuo} on others for shipping and manufactures, he substituted the picture of a vigorous, balanced national economy; for Sheffield’s version of America’s insuperable economic handicaps, Coxe presented a picture of a youthful nation possessing not only all the prerequisites but in the very midst of rapid and sustained economic growth. Sheffield was intent on preserving the policies of the past by adducing the facts of the present; Coxe was intent on drawing the contours of the present by inferences from the future. Just as the Englishman chose to see America as a stable society, in brief, so Coxe saw it as a progressively changing one. Although the contrast between their views appears sharp, the dissimilarity of their portraits was primarily owing to the different forms dictated by their national perspectives, and to the contrasting hues of British and American patriotism.

Putting such differences aside, their ideas were remarkably similar. Neither was concerned, like Adam Smith or other more prominent economists of the day, with discovering and applying economic laws. Both were attached to expediential policies and were scornful of theories. Just as Sheffield sought to defeat measures designed to liberalize Anglo-American trade, so Coxe sought to defend policies designed to promote American economic independence. The similarity goes further. Both were ardent nationalists, and both were mercantilists in the sense that their primary concern was national self-sufficiency and power. Finally, and unfortunately for the present-day reader, both were under the spell of statistics, convinced that the best way to bury one’s opponents was to smother them in figures. In a larger sense, each in his way typified salient features of his own society. Just as Sheffield personified the stale conservatism that Edmund Burke effectively derided, so Coxe symbolized his countrymen’s naïve faith in progress.

Whatever his implicit themes, Coxe manifestly accomplished what he set out to do. Not only did he convincingly point up his antagonist’s factual errors and fallacious arguments, but he was correct in assuming that British policy continued to be based on those assumptions Lord Sheffield had so vigorously defended in 1783. This was demonstrated—if proof were needed—by a report of a committee of the Privy Council issued in 1791,\textsuperscript{26} news of which

\textsuperscript{26} "Report of the Committee of the Privy Council on trade between the British dominions and America" (1791), in \textit{Collection of Interesting and Important Reports and Papers on Navigation and Trade} (London, 1807).
reached Coxe from William Temple Franklin after the first six numbers of *A Brief Examination* had been published.27

The work of Lord Hawkesbury, like Sheffield an implacable enemy to liberal treatment of American commerce, concluded in the highly secret report of the Privy Council that the existing condition of Anglo-American trade was decidedly advantageous to Britain. The balance of trade steadily had grown in her favor; the ban on American ships from the West Indies had enhanced her naval power; trade with her other North American colonies had grown more profitable; the number of American ships employed in overseas trade had decreased; and American shipbuilding had declined.28 The report, as a recent historian comments, might appropriately have been entitled "How to Grow Rich by Losing an Empire."29 To Lord Hawkesbury’s committee, moreover, affairs would remain in such a happy state so long as the United States adopted no discriminatory legislation.

Such an affirmation of the status quo underscored the apoppositeness of Coxe’s strictures against it. Although he was naïve in believing that the walls of the English commercial system would come tumbling down at his trumpet call of reason, he was not mistaken in assuming that a change in policy depended on a change in theory. Once Britain understood that a profitable relationship with her former colonies did not depend on the rigid maintenance of her mercantile system then, as Coxe said, she would be able to "commence the formation of liberal arrangements, solidly founded in the mutual interest of the two nations."30 It was, in fact, a sound argument, though it came some twenty-five years too soon. Not until the Treaty of Ghent in 1815—"an eloquent register of historical process," in George Dangerfield’s phrase, marking at last "the decay of British mercantilist concepts"31—would Coxe’s prediction be realized.

27Tench Coxe to Tobias Lear, November 15, 1791, Coxe Papers, HSP. The report came to his attention, Coxe wrote a decade or so later, when "I was engaged in the sixth number of my reply to Lord Sheffield. My zeal for the interest of my country, and for its harmony with England, induced me to write the seventh number, as a covert reply to some of the contents of the report." (Philadelphia Aurora, October 30, 1800.) Actually, he added three additional numbers. See Coxe, *A View*, 111. Hawkesbury’s report was also called to Coxe’s attention by John Vaughan who lent Coxe his copy. Coxe sent this copy to Jefferson in March, 1791, and subsequently returned it to Vaughan. (Tench Coxe to Jefferson, n.d.) Coxe’s letter is tipped into Vaughan’s copy of Hawkesbury’s Representation now in the Rare Book Division of the Library of Congress.

28Interesting and Important Papers, 66-69, 77-78, 82, 85.


In the meantime, his failure to influence English officials was offset by praise from his countrymen. "It is not the idle language of Compliment," Senator Pierce Butler said in a representative compliment "that this Publication strongly evinces your thorough knowledge of the resources and true interest of Your Country, as well as Your zeal in its service . . . ." Such kudos were not mere happenstance. Coxe distributed copies of his pamphlet to dozens of public officials throughout the country, behavior that reflected pride in his accomplishment and a desire to enhance his reputation among those whom he esteemed. He had every reason to be proud.

By the standards of that day his was a creditable performance, marking him as one of that small number of American publicists able to rival established authorities of the old world. He was, commented the English Monthly Review, "an able and well-informed writer" who "with more temper and moderation than might be expected" had effectively refuted Lord Sheffield's anti-American strictures. In identifying Coxe as the author of A Brief Examination, the review's anonymous critic also remarked: "Why assistant treasurer? Why are able men, if not pushed forward by undeniable interest, generally found in subordinate offices; while the nominal chief engrosses all the honour and the emolument? . . . Abilities must be put, it seems, to short allowance even in America, to keep them alert!" If the English reviewer was familiar with Hamilton's famous state papers, and he presumably was, this was high praise indeed. Nevertheless, for comparative purposes it was well that Coxe chose to tilt with Sheffield rather than with more distinguished men of letters like Adam Smith, David Hume, Edmund Burke, or Sir James Stuart.

To Coxe, however, Sheffield personified those many Englishmen who were as obstinately prejudiced as Americans were open-minded. It was his confidence in the latter that prompted him to

32Butler to Tench Coxe, June 7, 1791, Coxe Papers, HSP.
33See Coxe's correspondence with Tobias Lear, John Beckley, John Adams, James Iredell, John Jay, George Cabot, Jonathon Dayton, William S. Johnson, Fisher Ames, Enoch Edwards, Thomas Jefferson, and Benjamin Hawkins (Coxe Papers, HSP). He also arranged for his pamphlet to be prominently displayed in Mathew Carey's bookstore in Philadelphia during the congressional session that met in the fall and winter of 1791-1792. (See Tench Coxe to Carey, July 27, 1791, Lea Fabiger Collection, HSP.) Coxe also gave copies to George Beckwith "for himself and friends in Europe. (Aurora, October 30, 1800.) Among the English readers of Coxe's pamphlet was Lord Sheffield. Enoch Edwards reported to Coxe from London that "I met Lord Sheffield at Sr. John's and he was very sour about a Publication of your's—he arraigned it very severely." Edwards to Tench Coxe, August 17, 1793, Coxe Papers, HSP.
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don direct his next series of articles "to the feelings and Judgment" of his own compatriots.35 " Reflexions on the State of the Union,"36 a series of five essays published in the year 1792, was written to dispel doubts about the soundness of the economy37 and to remind the citizens of the several states that as "natural friends" they should "perceive the wisdom and the high duty of cultivating a spirit of mutual allowance and concession."38 Once educated, Americans everywhere, Coxe believed, would accept his prescription for national prosperity and greatness: a balanced and independent economy.39 As in his other writings, Coxe displayed no appreciable concern either with the orderly progression of ideas or their systematic analysis. Instead, as in his reply to Lord Sheffield, he drenched his readers in statistics. For example, he included lists of the exports of the United States and descriptions of virtually all its infant manufacturing establishments. He plied readers with glowing accounts of America's abundant raw materials and their conversion into manufactured goods, especially in Pennsylvania but also in the South and other areas.

Three themes emerge from Coxe's " Reflexions": (1) the promotion of manufactures to achieve a healthy national economy; (2) the purblindness of those special interest groups—notably, Southern planters and Northern merchants—who failed to see the need for a balanced economy; and (3) the boost given to American economic growth by Hamilton's financial policies.

The benefits to be derived from manufacturing were those which Coxe had emphasized time and again in previous articles: a favorable balance of trade, described by Coxe as "the metaphysics of commerce";40 independence from costly and sometimes capricious reliance on foreign manufactured articles; an increase of foreign trade by the export of manufactured goods; the diversification of

35Tench Coxe to Lear, February 11, 1793, Coxe Papers, HSP.
36Coxe's, " Reflexions on the State of the Union," was published in five parts in the American Museum during April through August, 1792. It was later republished in a Boston newspaper (see Ames to Tench Coxe, June 14, 1792) and in the York Herald (see Thomas Hartley to Tench Coxe, June 27, 1792, Coxe Papers, HSP.) It also appeared in Coxe's A View as chapter IX of Book 1, 286-379.
37Coxe, A View, 286.
38Its special purpose, Coxe wrote Jay, was to convince "those in the Southern states, who complain of the operations of the Government and who entertain fears about the balance of trade &ca. that they are really mistaken." Tench Coxe to Jay, November 8, 1794, Coxe Papers, HSP.
40Coxe explained his position as follows: "An opinion somewhat singular and of considerable importance will be hazarded upon this subject. The United States, to make the utmost advantage of things in their present improveable situation, should
American capital investment; self-sufficiency in time of war; additional jobs for American immigrant workmen as well as for the wives and children of our citizens, and black women, old men, and children; and, somewhat paradoxically, the introduction of laborsaving machinery. In view of such manifest advantages, the encouragement of manufactures was "a great political duty," demanding positive and prompt action by both state and federal governments.

It deserved also the support of those Americans who, motivated both by mistaken self-interest and a misunderstanding of sound economic principles, hitherto had opposed it. Conspicuously misplaced were the fears prevalent among Southerners that the promotion of manufacturing would enrich the Northeast and the middle states at their expense. Such apprehensions, he said, were based on a failure to recognize the economic interdependence of the agricultural and industrialized states: the most effective way to promote agriculture was to create a stable home market for its products by introducing and nurturing manufactures. Fears were especially groundless in view of the desirability and possibility of the increasing industrialization of the South. In brief, the "all-important landed

have little or no balance in their favour on their general commerce. If their exports amount to twenty-four millions of dollars per annum, they will find their true interest in importing the whole value in well-selected commodities. It is better, for example, that they import raw materials than manufactures. It was also better to import tools for artisans, and materials and utensils for constructing works than that they should bring back the equivalent in gold or silver." Ibid., American Museum, XI (June, 1792), 256-57.

The nation, Coxe pointed out by way of example, was currently engaged in an Indian war, whose expenses were being defrayed by an increase in import duties on foreign manufactures. Should the United States use this occasion to promote its own manufactures great benefits would ensue: American workmen would be given new employment, dependence on expensive foreign manufactures would be obviated, thus decreasing the cost of war. By "judicious arrangements," he said, war "may be rendered instrumental to the greatest support of the landed interest—the national manufactures." Ibid., 254-55.

Ibid., American Museum, XI (April, 1792), 130, 132; XI (June, 1792), 254-56, 259.

Ibid., 254.

Ibid., American Museum, XI (April, 1792), 130.

Intent on demonstrating that manufactures were "beneficial and necessary to the southern states" Coxe presented "a cursory view of the indication of attachment and disposition to them, which are discoverable in that quarter." He pointed to progress in merchant mills and lead mines in Virginia, the manufacture of iron in several Southern states, the formation of an association in Virginia to secure cording and spinning machinery on the British plan for cotton manufacturing, the family manufacture of cotton goods in other Southern states, the manufacture of hats in North Carolina, the immigration of flour millers, blacksmiths, tanners, cabinet-makers, [and] distillers to the Southern states, the increase in the number of distilleries, to a loan by the legislation of North Carolina to assist in the introduction of paper manufacturing, to action by the Maryland legislature to encourage the manufacture of glass, and to shipbuilding in Maryland, Virginia, and North Carolina. Ibid., American Museum, XI (May, 1792), 185-87.
interest would languish" without flourishing manufactures whose promotion, "no less supported by the state of things, than by probability and reason," was essential to the economic health of the western and inland counties in the South.\(^{46}\) Coxe next sought to quiet the apprehensions of "a respectable proportion of our mercantile citizens," notably those engaged in foreign trade. Foreign commerce and the coasting trade, he said, were enlivened by manufactures which also directly profited the mercantile interest by promoting "in an easy, certain, safe, and cheap way, the naval capacities and strength of the United States." In one of many other appeals to the pocketbook, he also observed that the encouragement of manufactures would relieve American merchants from the loss sustained by the customary premium on bills of exchange remitted in payment of European manufactures.\(^{47}\) To Coxe, in sum, the Southern planter as well as the Northern capitalist, the small farmer as well as the artisan, the international merchant as well as the domestic trader, would derive inestimable benefits from the fostering of manufactures. And in his rhapsodic argument he came close to saying that economic diversification was the central purpose of American society, its *raison d'etre*.

Such a conviction doubtless was in part responsible for the accolades he heaped on Hamilton’s economic program. Not even the Secretary of the Treasury himself could have claimed more for the plan: it had restored public credit,\(^{48}\) increased the availability of capital, prompted the establishment of a sound circulating medium, and accelerated economic activity generally, in agriculture, commerce, and manufacturing. Such high praise clearly suggests the divergence of Coxe’s economic philosophy from that of Hamilton's

\(^{46}\)Ibid., American Museum, XI (April, 1792), 130-31.

\(^{47}\)Ibid., American Museum, XI (May, 1792), 187, 190, 191.

\(^{48}\)In an article published a year earlier, Coxe had praised Hamilton’s program while seeking to dispel some popular misunderstandings about it. In this essay Coxe attributed the rise in the price both of government stock and that of the Bank of the United States to enhanced public confidence, inspired by Hamilton’s program, in the financial integrity of the United States. It was owing also to the "quickness of action, which sudden transactions from distress and disorder to great prosperity generally produce in nations and individuals." More importantly, the striking and disagreeable fluctuations in the price of bank stock "have been occasioned," Coxe wrote, "by the want of the necessary knowledge among a very large number of the public creditors and stockholders." Despite his approval of funding and assumption, Coxe did not—any more than Hamilton—literally endorse the then current cliché that "a public debt is a public blessing." He rather believed that "it is actually profitable to a people to evince a real ability and a sincere disposition to discharge such debts, as they may have been obliged to contract." "Reflections relative to the stock of the bank of the United States and to the national funds," *American Museum*, X (October, 1791), 168-71. The article was signed "A friend to sober dealing and public credit. A.A."
arch rival and Coxe’s close friend, Thomas Jefferson. Where the Virginian saw rampant corruption and deplorable legislative collusion in schemes of self-enrichment, the artificial creation of an aristocracy of wealth, and a gratuitous stretching of the Constitution to secure undesirable economic and social goals, Coxe saw widespread prosperity, congressional wisdom, the creation of needed capital, and the use of the Constitution to promote the national welfare. So far as economic philosophy was concerned, as we shall see, the beliefs of Coxe and Jefferson rather converged on the important question of the foreign orientation of American commercial policy. For, unlike Hamilton, they both believed that political vassalage and not economic stability was the price of accepting Britain’s commercial system.

Despite the beneficent operation of funding and assumption, Coxe had doubts about one side effect of Hamiltonian finance. Fluctuations in the value of the public stock encouraged speculation, which not only was a precipitant of recessions like that of 1792 but also attracted capital that might be employed more advantageously in constructive economic activity like building, trade, and manufacturing. Nor had Hamilton’s program been able to arrest one other deplorable economic trend—the crumbling of land values in a number of states. To arrest a process that bore so heavily on individual land owners, Coxe argued that “a tenth part of the value of the public debts, applied to the lands of the United States, would raise them everywhere to their real value.” In short, purchase of lands with government stock might shore up their value. But this, in turn, was dependent on curbing speculation, thus freeing public certificates of stable value for investment.

Coxe’s “Reflexions on the state of the Union,” were, however, neither a foray into economic theory nor an analysis of viable national options. They were rather a practical enumeration of American accomplishments and potentialities, and so strong was his economic nationalism that he came close to isolationism. The Americans would derive greater blessings from a “sedulous cultivation of their interests at home,” Coxe wrote, “than from almost any arrangements which the conceptions of foreign nations will probably lead them to propose.”

40Coxe, “Reflexions,” American Museum, XII (July, 1792), 12-16; ibid., American Museum, XII (August, 1792), 77-78.
41Ibid., American Museum, XII (July, 1792), 15, 16.
42Ibid., American Museum, XI (April, 1792), 128.
Yet the flaws of his work by no means overshadow its considerable merit. It was, as Fisher Ames said, complimenting Coxe on its publication, a "good physic" for "the rant of eloquent ignorance," unredeemed by "a single fact," with which American journals "were formerly stuffed." It was, like Coxe's lengthy reply of the previous year to Lord Sheffield, an effective plea for a powerful and prosperous union of economically interdependent and cooperative states, a call for positive government action to achieve national economic goals. It was, in sum, a tribute to his acuity that in a predominantly agrarian country he understood the possibilities of industrial might and sought to promote it. Coxe's essays, like Hamilton's great reports, were inspired by the vision of "something noble and magnificent in the perspective of a great Federal Republic, closely linked in the pursuit of a common interest, tranquil at home, respectable abroad . . . ." And that neither Hamilton nor Coxe asked precisely how such a government would be made to serve human ends was less a reflection of callousness than an expression of faith that, once established, a strong, secure nation and a prosperous, abundant economy would provide in the future the solution for problems yet unresolved.

To Coxe, even more than to Hamilton, the road to that bright future would be lined with factories. Seeing in the likely outbreak of a general war in Europe an opportunity to speed up industrialization, Coxe in 1793 returned to his familiar theme. In an article published in the spring of that year, he discussed the possible disruption of U.S. foreign trade during the course of a war among nations (including Britain, "the principal foreign source of our supplies") that ordinarily bought American raw materials and supplied her with merchandise. Here was a compelling reason for prompting his countrymen immediately to "infuse into their towns and cities . . . manufacturing capital, industry, and skill." Though the progress already made in this direction afforded "the most comfortable reflection," the current situation was to him one of those

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52 Ames to Tench Coxe, June 14, 1792, Coxe Papers, HSP.
54 The article was first published in Dunlap's American Daily Advertiser, May 20, 1793, under the title "Reflections on the Affairs of the United States, Occasioned by the Present War in Europe, Recommended to American and Foreign Capitalists." It was later republished in A View under the title "Some Ideas Concerning the Creation of Manufacturing Towns and Villages in the United States, Applied by Way of Example to a Position on the River Susquehannah," A View, 380-404.
tides in European affairs that taken at the flood would lead on to national strength. How could this be accomplished?

Coxe, returning to a suggestion he had made in his Brief Examination of Lord Sheffield two years earlier, recommended the creation of a model manufacturing town. As an illustration of what might be done, he selected the Pennsylvania counties contiguous to or near the Susquehanna River (where Coxe himself owned extensive tracts of land), an area, he said, whose central location and remarkable resources rendered it the most suitable location in the populated part of the United States for towns "of inland trade and manufactures of native productions." To Coxe, the very fact that the United States did not possess many of the advantages of other manufacturing countries—notably "artificial roads and canals"—made the establishment of such a model city all the more important. This was because producers in the inland areas of America were forced to spend a large percentage of their crops on charges for transporting them to the seacoast. Conceding that such a grandiose scheme was not likely soon to be adopted, he nevertheless believed it worthwhile "to exemplify what might be done with a given capital."

For that purpose, Coxe suggested that $500,000 be raised in one of three ways: by subscription to the capital stock of a company "to be temporarily associated for the purpose, without any exclusive privileges"; by a lottery; or by a direct appropriation from the state of Pennsylvania. The money so amassed would be used for the purchase of land and the erection of buildings. To whomsoever the profits might go, the investment would result in a 100 percent increase in the value of land in the area. Coxe proposed that the $500,000 be allocated for the purchase of 2,000 acres of land on the Susquehanna "to be regularly laid off" as a manufacturing and trading center, the erection within the town of houses as well as "useful workshops, and manufactories by water, fire, or hand," and the construction of canals and roads to facilitate transportation.

Had the people of Pennsylvania—or the citizens of the nation—shared Coxe's sense of urgency, such a plan might well have been an instructive experience in the value of economic planning. As things were, the artificial cultivation of manufactures was anathema to many agrarians and unacceptable even to many capitalists and artisans who believed, in the spirit of Adam Smith, in the beneficent operation of economic laws which would automatically provide that

56Ibid., 385-93.
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for which the nation was ready. To a people committed to a policy of
drift, the notion that the nation's economy, like its government,
might be subject to man's control was merely fanciful.

Coxe believed otherwise, and with the intellectual's characteristic
overconfidence in the power of the written word, was convinced that
he could convert his countrymen. By mid-1793\textsuperscript{37} he was busily
assembling material for a book which he hoped would accomplish
just that. A View of the United States, published in Philadelphia in
1794 and reprinted in London the following year,\textsuperscript{58} was, as Coxe
explained in its introduction, a "collection of papers" previously
published, "introduced in each instance by concise explanatory re-
marks, and closed by such brief observations on its particular subject
as arise in the present time."\textsuperscript{59} These introductory and concluding
remarks were brief (seldom more than a page) and added little of
substance to the original essays. Except for numerous statistical
tables, the only other new material was a final section, amounting to
about 12 percent of the book, that consisted of essays hurriedly writ-
ten on the eve of publication.\textsuperscript{60}

A View was Coxe's most ambitious work and is his major claim to
repute as a political economist. Although he would turn out
hundreds of additional articles, many of them dealing with eco-
nomic subjects, the essays republished in 1794 contain the essential
themes that his later writings, whatever their shifts of emphasis,
merely would embroider. This was not because he was by the age of
forty mentally ossified, but rather because the nation's fundamental
problems remained constant. When in the last years of Coxe's life

\textsuperscript{37}Coxe wrote that he was preparing "for publication in the summer" of 1793 but
"the epidemic malady which occurred in Philadelphia, towards the end of that
season, prevented the execution of the design at that time." Ibid., 449.

\textsuperscript{38}Coxe, A View of the United States of America, in a Series of Papers Written at
Various Times Between the Years 1787 and 1794 . . . Interspersed with Authentic
Documents. The purpose of the book was described by Coxe on the title page: "The
Whole Tending to Exhibit the Progress and Present State of Civil and Religious
Liberty, Population, Agriculture, Exports, Imports, Fisheries, Navigation, Ship-
Building, Manufactures, and General Improvement." It was reprinted in London "for
J. Johnson in St. Paul's Church Yard" in 1795.

\textsuperscript{39}Ibid., 1-2.

\textsuperscript{40}The titles of the new articles were as follows: "Containing a Summary Statement
of the Principal Facts, which Characterize the American People, and Their Country
or Territory"; "Reflections Upon the Best Modes of Bringing the Forest Lands of the
United States into Cultivation and Use"; "Miscellaneous Facts and Observations
Concerning the State of Pennsylvania, Supplementary to the Fourth Chapter of the
First Book"; "Concerning the Public Debts and Revenues of the United States"; and
"Miscellaneous Reflections Upon Certain Important Facts and Considerations, which
occur, at the Present Time, in the Affairs of the United States; Intended as a Con-
clusion to this Collection." Ibid., 427-57, 477-512.
new solutions were adopted, the change, gratifyingly to him, was in the direction to which he all along had pointed.

In 1794 the policies Coxe had recommended over the previous seven years gained added force both by the juxtaposition of his many essays and by the addition of repetitious but persuasive new ones. Here was a sustained plea for national self-sufficiency achieved by an economy carefully equilibrated so as to encourage the rapid growth of manufactures without imperiling agricultural prosperity, the leitmotif of Coxe's economic thought. Never questioning the desirability or constitutionality of direct government intervention in the economy, Coxe's program, like Hamilton's, was a call for policies designed to promote national prosperity, to furbish its international repute, and to shore up its military strength.

Although Coxe's book was applauded by his contemporaries (some of whom clearly were more intent on reassurance that America could produce authors than on critically assessing their merits), the mid-twentieth century historian must employ a different and a double standard. He must measure the work by the standards of Coxe's own day while judging it also from the perspective of the literature of political economy, in Europe at that time and of this country subsequently. By whatever criteria evaluated, it was not artfully done, either in design or execution. It abounded in repetitions, revealed more than a trace of fact-benumbed pedantry, and large sections of it engage the present-day reader's attention no more than would a statistical abstract or a reference work on physical and economic geography. To deserve credit as a political economist of first rank, Coxe needed to move beyond the presentation of a panoply of essentially statistical observations and to transcend the parochialism that rendered him an eighteenth century babbitt. Yet gauged by the standards of his time and place, his book has considerable merit. It was superior to many similar contemporary works, and, at least as a source of economic data, even deserves comparison with Hamilton's famous Report on Manufactures of which Coxe was, in fact, coauthor. His contribution, in brief, lay in his presentation of otherwise inaccessible information, not in its heuristic value. His originality lay in his application of ideas already current, not in devising new theories or even in critical commentaries on the rich literature of political economy then available.

He was familiar with it, however, for he assiduously collected what for his day was an impressive library, much of which he obviously read and discussed with his circle of similarly well-informed
friends. He was, for example, a close student of Adam Smith's Wealth of Nations, studied and passed on to friends Neckar's Finances of France, had more than a passing knowledge of Montesquieu's The Spirit of Laws, Hume's Essays, Stuart's Political Economy, Blackstone's Commentaries, had read and kept on his library shelves standard compendia and reference books on history, law, finance, and the commercial regulations and systems of other countries. But the latter works reflected his primary concern which was not the analysis of ideas but the accumulation of discrete facts and figures.

Intent on tracking down all the available statistics, Coxe was blithely unaware of the lacunae in his knowledge. His writings, like those of so many of his contemporaries, were not underpinned by any scaffolding of economic theory or any philosophy of history, save perhaps a naïve faith in "progress" and devotion to "liberty." Nor did he explore the intellectual presuppositions of others any more than he examined his own. Coxe, in short, reflected certain assumptions of his generation instead of reflecting upon them. But this, paradoxically enough, is largely responsible for his historical repute. His assumptions were for his time significant, and his repeated amplification of them exemplifies a mode of thought and contagiously captures the spirit of an age. What he did was to pull things together, to synthesize them. In so doing, he came to personify a major development of his time. His economic nationalism was, moreover, of incalculable importance for the future of American history. Merely by hammering away at the possibility of a balanced and vigorous economy, he helped to temper a subsequent generation's acceptance of laissez-nous faire. He was also the precursor of those who actively opposed the new order, economists labeled the "American School," and most particularly of Frederich List who, as Joseph Dorfman remarks, closely "resembled Tench Coxe."

His collected essays have historical value for still another reason: they mirror the mercantile mind of his day. For Coxe, in and out of

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61See especially Tench Coxe to William L. Smith, December 13, 1791; James Wilson to Tench Coxe, October 16, 1789; William Coxe, Jr., to Tench Coxe, November 1, 1790; Edward Jones to Tench Coxe, February 23, 1795; Mathew Carey to Tench Coxe, March 10, 1797. For a portion of Coxe's library see Ezekiel Forman to Tench Coxe, April 6, 1800; for listings of books Coxe ordered from British book dealers see: "Invoice" dated February 2, 1792; William Cass to Tench Coxe, July 23, 1791; James Phillips to Tench Coxe, July 26, 1791; Tench Coxe to Phillips, May 16, 22, 1791, Coxe Papers, HSP.

office, retained the standards and presuppositions of a Philadelphia merchant. This is one clue to both the merits and shortcomings of his writings. Just as they provide a useful guide (discounting, of course, their super-patriotic bias) to the state of the country’s economy, premised on a firm grasp of the mechanics of foreign and domestic commerce, so they were often as uninspired and as dull as the pages of a ledger. The cast of Coxe’s mind was nowhere better revealed than in the last paragraph of A View: the climax to 500-odd pages of lavish praise of his country’s accomplishments and prediction of its yet more glorious future was an account of the increase in the export of flour.63

But this was at least consonant with his effort to demonstrate the progress of the United States from its disagreeable condition in 1786 (including the lingering effects of a destructive war, a defective government, and a “confused mass of debts, both public and private”)64 to its prosperous condition in 1794. The flourishing commerce, a “diversified and productive agriculture,” and “all the other great objects of national economy,” Coxe asserted, were carried out under the auspices of a government affording the utmost personal freedom and protection of the rights of property.65 Although the conscious efforts of the Americans themselves might be partly responsible for this accomplishment, impersonal forces were also at work. To Coxe, the recent history of the United States exemplified “the progressive course of things” propelled by “incessant changes.”66 The result if not utopia was the closest thing to it history hitherto had witnessed.

This idyllic picture of the world’s most perfect state was nowhere more brightly painted than in a summary chapter that concluded his View of the United States. The Americans, he wrote, had exploded principles of religious intolerance, placing “upon one common and equal footing every church, sect, or society, of religious men.” They had abolished political tyranny which had been the scourge of mankind through previous history. They had replaced the privileged and repressive societies of the Old World with a democratic society of equal opportunity. This new and ideal Republic was characterized by an elective chief executive, the smallest public debt “of any other civilized nation”; the lowest expenses and least burdensome taxes of

63Coxe, A View, 512.
64Ibid., 2.
65These quotes are from the introductory and closing remarks written in 1793-1794 by Coxe to his An Enquiry of 1787 when it was reprinted in A View. Ibid., 3, 33.
66Ibid., 1.
any country in the world; a healthy balance of trade and a yearly-increasing industrial plant, a republic, in sum, whose sole object was "the maintenance of peace, order, liberty, and safety" rather than, as in Europe, intrigue and conquest.67

To Coxe, his country was also one of contented68 but conscientious people who displayed an admirable reforming zeal for the eradication of those minor ills that still tarnished the national image, notably slavery for whose gradual abolition the Southern states already had "adopted efficacious measures." So, too, could Americans congratulate themselves on their talents for "ingenious invention," on the encouragement given to the education of their youth, and on accomplishments in science and the arts. "America," Coxe wrote, "has not many charms for the dissipated and voluptuous parts of mankind," but for the "rational, soberminded, and discreet" as well as for "the industrious and honest poor," it afforded "great opportunities of comfort and prosperity." It was, in sum, an open society in which success was the rule and failure virtually unknown.69

Although the United States might have been, as he believed, riding the crest of the historical wave, his case for its transformation since the Revolution was grossly overstated. Like spokesmen for many succeeding generations, he tended to mistake minor shifts in the economy and ephemeral changes in society for substantive and enduring trends. He did, however, symbolize the national self-gloration of an awkward age that, uncertain of its identity, exaggerated American uniqueness. Despite his heavy-handed ridicule of Lord Sheffield's snide comments on "the idea that the United States are a country, *sui generis*,"70 Coxe emphatically believed that it was. His exaggeration of American accomplishments and his xenophobia mirror the preoccupation implicit in the poet Freneau's question:

Can we never be brought to have learning or grace Unless it be brought from that horrible place Where tyranny reigns with her impudent face?71

67Ibid., 427, 428, 444.
68Included among its contented people, Coxe wrote, were European immigrants who promptly had "accommodated themselves to the American mode of life." Though somewhat at odds with this complacent remark, Coxe said that in view of the fact that the United States had become "the colony of all Europe," it might be necessary to enact wholesome legislation "calculated effectually to prevent inconveniences, which might arise from the sudden introduction to power of persons of every variety of character, disposition, and property." Ibid., 506-507.
69Ibid., 437, 440-43.
70Coxe, "Brief Examination," American Museum, IX (March, 1791), 125.
The shrillness of Coxe's affirmative answer suggests a nagging uncertainty. He dispelled it, at least to his own satisfaction by recourse to the dogma of progress. Though he professed to deduce the belief from the evidence on all sides of him, it was in fact an act of faith, including confidence that such flaws as marred the American performance would "yield ere long to the powers and influences which have erradicated much greater evils of the same kind."\(^7\) His belief in "the mechanical powers of the human mind" to produce illimitable progress was as great as that of Condorcet or Godwin.\(^7\)

But it was not the fate of mankind but of his own country, not the latter's past but its future, that dazzled him, suggesting the astuteness of de Tocqueville's observation that "Democratic nations care but little for what has been, but they are haunted by visions of what will be."\(^7\)

The great issue of Coxe's inquiry was the dynamics of change, but what was conspicuously lacking was any interest in the dimension of change. Confident that the partnership between economic growth and political freedom would continue to develop and to triumph over every obstacle, he questioned neither the fact of the union nor the diversities and conflicts that might impede or abort the progress. The absence of any countervailing moral or human goals, in brief, affords an oppressive limitation to his thought. Henry Adams's caustic comments on Jefferson's confident belief in the doctrine of "democratic progress" is also applicable to Coxe. To this dogma, Adams wrote, "the New Englander replied 'What will you do for moral progress?'" According to Adams, "Every possible answer to this question opened a chasm. No doubt Jefferson held the faith that men would improve morally with their physical and intellectual growth; but he had no idea of any moral improvement other than that which came by nature." To Adams, such a view raised fundamental problems for American society: Could the nation, he asked, "transmute its social power into the higher forms of thought? Could it provide for the moral and intellectual needs of mankind? . . . Could it produce, or was it compatible with, the differentiation of a higher variety of the human race? Nothing less than this was necessary for its complete success."\(^7\)

\(^7\)Coxe, "Reflexions," *American Museum*, XII (August, 1792), 80.


Although Coxe, like Jefferson, confused the means of achieving the abundant society with the end of a just society, it should be said in his defense that he was pre-eminently the child of his age. Less defensible was his blindness to its inequities and conflicts. His voluminous writings afford no hint that, in fact, the operation of the American economy resulted in a structured hierarchy of wealth and income and thus in a system of privilege. Far from expressing sympathy for the underdog, he did not admit that he existed. Far from confronting the racism that made amelioration of the evils of slavery virtually impossible, he was confident that Southerners, like all Americans, were well intentioned men who were eager to afford employment for the blacks until gradual emancipation should work its miracles. Even granted that such complacency was owing to his preoccupation with prosperity and economic growth, it must be said that he tenaciously avoided troublesome questions. He rather willed to believe that the exploitation of the nation’s remarkable resources would be the panacea for all its conceivable problems. Even could he have anticipated the advice, he would not have understood the aptness of de Tocqueville’s observation that “The Americans contemplate this extraordinary progress with exultation, but they would be wiser to consider it with sorrow and alarm.”

76Coxe, A View, 505. Coxe did not even admit there was an Indian problem. Though propaganda circulated in Europe might state otherwise, he said, the Indians offered “not the most remote possibility of injury” or danger. Virtually all the country was “perfectly safe, and even undisturbed.” Ibid., 510-11.

77de Tocqueville, Democracy in America, 1, 420.