

Report on Manufactures (excerpts)

Alexander Hamilton:

The Secretary of the Treasury, [i.e., Hamilton] in obedience to the order of the House of Representatives, of the 15th day of January, 1790, has applied his attention, at as early a period as his other duties would permit, to the subject of manufactures; and particularly to the means of promoting such as will tend to render the United States independent of foreign nations for military and other essential supplies; and he thereupon respectfully submits the following report....

1. As To The Division Of Labor

It has justly been observed that there is scarcely anything of greater moment in the economy of a nation than the proper division of labor. The separation of occupations causes each to be carried to a much greater perfection than it could possibly acquire if they were blended...the mere separation of the occupation of the cultivator from that of the artificer [i.e., a skilled maker of things] has the effect of augmenting the productive powers of labor and, with them, the total mass of the produce or revenue of a country.

2. As To An Extension Of The Use Of Machinery; A Point Which, Though Partly Anticipated, Requires To Be Placed In One Or Two Additional Lights

The employment of machinery forms an item of great importance in the general mass of national industry. It is an artificial force brought in aid of the natural force of man; and, to all the purposes of labor, is an increase of hands—an accession of strength, unencumbered, too, by the expense of maintaining the laborer. May it not, therefore, be fairly inferred that those occupations which give greatest scope to the use of this auxiliary contribute most to the general stock of industrious effort and, in consequence, to the general product of industry?

3. As To The Additional Employment Of Classes Of The Community Not Originally Engaged In The Particular Business

This is not among the least valuable of the means by which manufacturing institutions contribute to augment the stock of industry and production. In places where those institutions prevail, besides the persons regularly engaged in them, they afford occasional and extra employment to industrious individuals and families who are willing to devote leisure resulting from the intermissions of their ordinary pursuits to collateral labors, as a resource for multiplying their acquisitions or enjoyments. The husbandman [i.e., farmer] himself experiences a new source of profit and support from increased industry of his wife and daughters, invited and stimulated by the demands of neighboring manufactories.

Besides this advantage of occasional employment to classes having different occupations, there is another, of a nature allied to it, and of similar tendency. This is the employment of persons who would otherwise be idle, and in many cases, a burden on the community, either from bias of temper, habit, infirmity of body, or some other cause indisposing or disqualifying them for the toils of the country. It is worthy of

particular remark that, in general, women and children are rendered more useful, by manufacturing establishments, than they would otherwise be....

4. As To The Promoting Of Emigration From Foreign Countries

...Manufacturers who, listening to the powerful invitations of a better price for their fabrics or their labor; of greater cheapness of provisions and raw materials; of an exertion from the chief part of the taxes, burdens and restraints which they endure in the Old World; of greater personal independence and consequence under the operation of a more equal government; and of what is far more precious than mere religious toleration~a perfect equality of religious privileges-would probably flock from Europe to the United States to pursue their own trades or professions if they were once made sensible of the advantages they would enjoy, and were inspired with an assurance of encouragement and employment, will, with difficulty, be induced to transplant themselves with a view to becoming cultivators of land.

If it be true, then, that it is the interest of the United States to open every possible avenue to emigration from abroad, it affords a weighty argument for the encouragement of manufactures; which, for the reasons just assigned will have the strongest tendency to multiply inducements to it.

5. As To The Furnishing Greater Scope For The Diversity Of Talents And The Dispositions Which Discriminate Men From Each Other

This is a much more powerful means of augmenting the fund of national industry than may at first sight appear..-It is a just observation that minds of the strongest and most active powers for their proper objects fall below mediocrity and labor without effect if confined to uncongenial pursuits; and it is thence to be inferred that the results of human exertion may be immensely increased by diversifying its objects. When all the different kinds of industry obtain in a community, each individual can find his proper element and can call into activity the whole vigor of his nature; and the community is benefited by the services of its respective members in a manner in which each can serve it with most effect.

6. As To The Affording A More Ample And Various Field For Enterprise

...To cherish and stimulate the activity of the human mind by multiplying the objects of enterprise is not among the least considerable of the expedients by which the wealth of a nation may be promoted. It must be less in a nation of cultivators than in a nation of cultivators and merchants; less in a nation of cultivators and merchants than in a nation of cultivators, artificers, and merchants.

7. As To The Creating, In Some Instances, A New, And Securing, In All, A More Certain And Steady Demand For The Surplus Produce Of The Soil

This is among the most important of the circumstances which have been indicated. It is a principal means by which the establishment of manufactures contributes to an augmentation of the produce or revenue of a country and has immediate and direct relation to the prosperity of agriculture....a domestic market is greatly to be preferred to a foreign one; because it is, in the nature of things, far more to be relied upon.

It is a primary object of the policy of nations to supply themselves with subsistence from their own soils; and manufacturing nations, as far as circumstances permit, endeavor to procure from the same sources the raw materials necessary for their own fabrics. This disposition, urged by the spirit of monopoly, is sometimes even carried to injudicious extreme.

The foregoing considerations seem sufficient to establish, as general propositions, that it is the interest of nations to diversify the industrious pursuits of the individuals who compose them; that the establishment of manufacture is calculated not only to increase the general stock of useful and productive labor but even to improve the state of agriculture in particular; certainly to advance the interest of those who are engaged in it...

Questions

1. According to the reading, what direction should American development take?
2. What are the arguments the author uses to support this plan?
3. What is the ultimate goal of this development plan?
4. How would this plan provide for the immediate needs of the people? How would it provide for the needs of people in the long term?
5. What is the relationship of the environment and resources to this plan?
6. What are the weaknesses of this plan? Are the arguments of its implementation consistent with the goals of the new government?