The Corn Law Controversy

CORN- (British) 1. grasses that produce edible seed 2. any of a variety of grains including barley, maize, rye, wheat, et cetera

1361 - earliest regulations restricting the import & export of grain, notably in England

1790 - Corn prices rise in England during the Napoleonic Wars; landlords hope that these high prices will continue.

1815 - Britain wins the Napoleonic War; Germany is 50 years away from its industrial revolution; France is exhausted after its Revolution/Napoleon. Industrialization will be slower in France. ...So England is unquestionably dominant for the next fifty years or so.

1815 - Corn prices begin to decline. Landlords hope to restore the high prices via tariffs. This action is opposed by the Industrialists & the workers. A compromise law is passed in which foreign grain is prohibited if the price is below 15 schillings per quarter ton... ...BUT the grain may flow duty-free if the price is above 80 schillings per quarter ton. (No one is happy with the compromise.)

1827 - Prime Minister Lord Liverpool resigns. He had intended to reform the corn laws which were causing hardship in the country.

1828 - Robert Peel & the Tories are in charge of the government.

The INTERNAL STRUGGLES in ENGLAND

What type of economy should England pursue? AGRARIAN -OR- INDUSTRIAL? FREE TRADE -OR- PROTECTIONISM?

Economic & Political CONSIDERATIONS:
1) If England is to remain self-sufficient, should more resources be devoted to agriculture?
2) Is it necessary to be self-sufficient in agriculture when trade would substitute for English agriculture?
3) Would England maintain industrial hegemony by sacrificing agricultural interests for free-trade interests?

POLITICAL: The House of Commons & the House of Lords are dominated by the interests of the landlords. TORIES (landed class, agrarian interests) versus WHIGS (merchants, industrial interests)

Up to 1815, the industrialists were too weak politically to thwart the protectionism of the Corn Laws. ... But within three decades, the political power base shifts.*

* NOTE: the Reform Bill of 1832 - changes the way that Parliament is set up & run. The right to vote in England is extended to the middle class during a period marked by violence & popular unrest. The right to vote is based on reduced property requirements. Even so, the property requirement is so drastically reduced so that most of the middle class is eligible to vote. Representation in parliament is also restructured to the detriment for small farming areas and to the benefit of industrial centers.

The Industrial middle class begin to debate the “CORN LAWS” as a “tax on the poor.”

1845 - Irish Potato Blight
1846 - IRISH POTATO FAMINE!!!
NOTE: Giffen Goods
June 25, 1846 - the Corn Laws are drastically reduced. Parliament acts to save the IRISH... Too Little, Too Late!
December 1846 - Robert Peel resigns as Prime Minister. The Tory party is divided between the Protectionists & the Peelites.

1850 - Repeal of the Corn Laws
England is opened to free trade & Great Britain becomes the “workshop of the world.” Resources are freed to their most productive uses. England becomes the FIRST mature industrial economy!!! Germany will challenge England economically twenty years