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From the Corn Laws to Your Mailbox

Cheryl Schonhardt-Bailey, author of *From the Corn Laws to Free Trade: Interests, Ideas, and Institutions in Historical Perspective*, reminds us of the political and economic origins of a very popular magazine: Any reader of *The Economist* is aware of that publication's commitment to free trade, but less well known is the dramatic context in which James Wilson founded the new paper in September 1843—i.e., the historic struggle for repeal of the protectionist Corn Laws in Britain.

One might pause at this point to ask the relevance of such an event to the 21st century, but as Anne Krueger (former managing director of the IMF) recently noted, "the debate over the Corn Laws is a powerful reminder of how little has fundamentally changed in the way the debate over free trade is conducted."⁽¹⁾ The early 1840s were a time of protests, turmoil and agitation throughout Britain as the Conservative government under Sir Robert Peel staunchly refused to consider changing decades of protection for agriculture (known as the Corn Laws). As Parliament consisted of mostly landowning aristocrats, those in power were also perceived to be the chief beneficiaries of the Corn Laws, which raised the spectre of class conflict between the middle class industrialists who sought free trade in agriculture as a means to expand the export of manufactured goods and landowners, who sought to preserve both their economic and political monopoly.

So how did *The Economist* enter into the story? By spring of 1843, Wilson had frequently assisted the free trade lobby (the Anti-Corn Law League) in its repeal campaign with his well-argued speeches and essays, which relied on statistical figures and facts to demonstrate the case for free trade, but were expressed plainly and clearly.⁽²⁾ In summer 1843, the League was dissatisfied with the press coverage it was receiving and Wilson proposed to found a new publication, *The Economist*, which would be "devoted to the ideas of free trade but not an avowed organ of the League."⁽³⁾ As an independent newspaper, Wilson and the League hoped it would appeal to important individuals who were interested in economic issues but averse to the overt pressure tactics of the Anti-Corn Law League.⁽⁴⁾ The less well-known part of the story is that the League provided substantial financial assistance to *The Economist* - for instance, in purchasing 20,000 copies of the paper to distribute to leading Tories who might be persuaded by the succinct and persuasive (and independent) arguments of *The Economist* to support free trade, and reputedly also in donating funds directly to the newspaper.⁽⁵⁾

The story of repeal of the Corn Laws is a fascinating one which has intrigued researchers for 160 years as they continue to debate the extent to which its eventual success might be best attributed to (a) the intellectual and moral superiority of the principle of free trade over protection; (b) the well-financed and efficiently organized lobbying efforts of the Anti-Corn Law League; or (c) the role of political institutions (e.g., electoral reform in 1832 or the failure of the House of Lords to oppose repeal). In short, researchers have debated whether repeal might best be explained by the forces of *ideas*, economic *interests* or political *institutions*. Indeed, *The Economist* astutely commented on the importance of these three factors in its head-line story of the May 1846 passage of repeal through the House of Commons, noting (a) that repeal reflected "a fearless reliance upon the truth and justice of a great principle"; (b) that its success thus far demonstrated the efforts of the League ("the most powerful and successful organization which has ever existed in this country for any object, has been unwearied in its efforts, heedless of personal sacrifice, and exhibiting a devotedness to a cause without parallel in the history of the country"); and (c) that it may yet fail in the Lords and much hinged on the ability of the protectionists to form a government in the wake of a Lords' veto.

While the context has changed, these same three forces—ideas, economic interests, and political institutions—comprise the template for understanding current debates over trade liberalization. While economic interests and political institutions have become more complex over time, one is struck by resilience of free trade as—quite simply—a "great principle" worth defending.

(1) Krueger, A. (2004). "Wilful ignorance: the struggle to

convince

the free trade skeptics (lecture to the Graduate Institute of International Studies,

Geneva, May 18, 2004)." *World Trade Review* 3(3): 484.

(2) Prentice, A. ((1853) 1968). *History of the Anti-Corn Law League, I & II*. London,

Frank Cass & Co. Ltd.: vol. 2, 58.

(3) McCord, N. (1958). *The Anti-Corn Law League, 1838-1846*. London, Unwin

University Books: 182.

(4) McCord, N. (1958). *The Anti-Corn Law League, 1838-1846*. London, Unwin

University Books: 183.

(5) McCord, N. (1958). *The Anti-Corn Law League, 1838-1846*. London, Unwin

University Books: 184.

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