

## Smuggling during the War of 1812

Smuggling, or the illegal import or export of legally specified goods, was a fundamental part of the economy for colonial America and the early republic. Trade routes and trade products followed patterns of supply and demand that often times did not reflect the territorial divisions of the time-period or the legal structures established by governments to regulate trade. This pattern continued through the War of 1812, after which trade regulations generally loosened globally as mercantilism, the dominant economic theory from the seventeenth through early nineteenth centuries, was gradually replaced by freer trade economic theories

The imperial conflicts between Britain and France during the 1750s ended the policy of salutary neglect. Salutary neglect was an informal policy in which colonial affairs were not closely scrutinized by imperial officials, thereby allowing the construction of a complex colonial export economy that was not in keeping with the letter of the Navigation Acts or the spirit of mercantilism which attempted to contain all trade within the empire. Closer contact between imperial officials and the colonies revealed the existence of a vast network of trade relations between the British colonies exchanging food and wood products with French and Spanish colonies for sugar and molasses, a sugar byproduct used for the production of rum. During the Seven Years War, Royal Navy cruisers captured multiple colonial vessels engaged in this trade, which violated the Navigation Acts, supported the enemy in wartime, and angered British sugar planters in the Caribbean who suffered from depressed commodity prices due to the illegal competition. In the post war years, British officials imposed a series of new regulations designed to confine colonial trade relations within the mercantile system, in fact as well in theory. The customs service in the colonies were given expanded authority, naval patrols of colonial waters increased, and the establishment of British Vice Admiralty courts in the Americas brought a more rigorous effort to eliminate smuggling. Some of the abuses of this effort, such as the use of general search warrants to inspect ships, cargoes, and dockside warehouses for contraband, provided support for advocates of independence leading up to the American Revolution.

After the American Revolution, the independent United States was no longer subject to the Navigation Acts or to the British mercantile system; however, Americans were theoretically barred from British markets and from trade with British colonies in the Caribbean. Smuggling American food and wood products to the British Caribbean was tacitly accepted, as the United States was the only affordable source for these products. The outbreak of war in Europe in 1793 caused a reconsideration of this exclusion. Trade relations resumed until 1806, when President Thomas Jefferson signed the Non-importation Act, which limited some British imports to the United States. The *Chesapeake* incident of 1807 provoked Jefferson to sign the Embargo Act. Under the terms of the embargo, all external American trade was declared illegal. However, the United States federal government faced many of the same difficulties of enforcing trade laws, as did the British government in the colonial era. Many state governments, especially in New England, advocated for repeal through the political process. Many citizens, however, ignored the embargo and continued to smuggle American goods out of the country and European goods in. Smuggling was particularly common in the Champlain Valley, along the land frontier with Canada in upstate New York, and by sea from Maine to the Maritime Provinces. Additional smuggling routes linked Spanish Florida to the American south. Federal efforts to enforce the embargo laws led Jefferson to order the arming of the customs service. After a series of riots,

and in the case of the *Black Snake* incident a virtual battle between smugglers and customs agents caused President Jefferson to declare areas of New York and Vermont in rebellion against the federal government and to deploy federal soldiers along the Canadian frontier to curtail smuggling. These soldiers were disliked by most local citizens because of their role in restricting economic opportunity and their behavior towards civilians. Their presence failed to stem the flow of illicit trade. In addition, Jefferson ordered units of the United States Navy to patrol off the American coast to search for trading ships breaking the embargo. This duty was almost impossible; the lack of an internal road network required most trade within the nation to travel by sea and distinguishing legitimate internal trade from smuggling remained an unresolved challenge.

Popular discontent, the inability to enforce the law, and the ill effects of the embargo on federal revenues led to the repeal of the Embargo Act in 1809. In the place of a full embargo, President James Madison signed first the Non-intercourse Act and Macon's No. 2 Bill that would allow for external trade if either Britain or France eliminated their trade restrictions against American commerce. Diplomatic relations between the United States and Britain worsened; Congress declared war in June 1812. The outbreak of war did not end smuggling. The traditional smuggling routes between upstate New York, the Champlain Valley, and Canada remained active throughout the war. In the case of Maine and the Maritimes, smuggling actually increased during the war. Smuggling was particularly encouraged by the British officials in Canada as the army depended on provisions smuggled across the border. Some American officers deemed smuggling such a threat to the war effort that American troops should be used to close the border to this trade, but this step was not taken. Local militias and customs officials remained incapable of eliminating smuggling; riots between pro-smuggler and anti-smuggler factions were common in border communities.

The end of the Napoleonic War in Europe and the War of 1812 ended the economic warfare strategies that impinged on trade during the war. A similar pattern of liberalization also encouraged civilian trade. By the early nineteenth century, the mercantilist vision for economics was eclipsed by economic ideologies that emphasized freer trade. With trade no longer as constrained by legal structures, smuggling as a means of conducting trade declined.

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#### FURTHER READING:

Smith, Joshua. *Borderland Smuggling: Patriots, Loyalists, and Illicit Trade in the Northeast, 1783-1820*. (Gainesville: University of Florida Press, 2006)

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