

Forerunners of

15 MAR 1962

The Cutter Fleet

by

Rear Admiral Stephen H. Evans, USCG

According to tradition, the operational requirement for a floating force to protect the customs revenue in the early days of the Republic owed its original definition to Alexander Hamilton's foresight and intuition. However, documentary evidence recently acquired by the Coast Guard and now preserved in the library at the Academy sheds new light on the matter: we now know that the requirement had been demonstrated in experience prior to Congress' enactment of Hamilton's brain-child, a revenue-cutter fleet, into being, and that the requirement had been met, in some degree at least, by Collectors of Customs acting under an assumed administrative authority prior to approval of the organic act.

For perspective, it should be recalled that Hamilton, as first Secretary of the Treasury, had induced the First Congress to levy an import tax designed both to place the new Government on a sound financial basis by liquidating the \$70,000,000.00 war-debt incurred during the Revolution and to protect the country's infant industries. To insure collection of these customs dues, he further persuaded Congress to authorize the establishment of an armed force afloat. The first "revenue cutters" under the organic act approved 4 August 1790 were in operation by 1791; collectively, they constituted the Coast Guard's ancestral Agency.

One of the newly-discovered documents showing that the need for revenue cutters did not spring full-blown from Hamilton's prodigious imagination is a letter dated 29 May 1790 from the Secretary to William Webb, Esquire, Collector of Customs at Bath, Maine. The letter, recently purchased from an antiquarian by the Academy for its collection, is in excellent condition, as is the signature "Alex Hamilton". In it, the Secretary not only tacitly admits the operational justification for customs-enforcement vessels in some localities but also exercises his own administrative authority by reprimanding the Collector for failing to justify the need before buying a vessel for Bath: Said he:

'Sir - Your letter of the 18th May has been duly received, and I learn from it that you have purchased a boat 'for the purpose of better securing the revenue' --- I have in some instances

on previous application permitted the purchase of open boats for Harbour service, and it is possible that it might not have appeared improper to extend this permission to the District of Bath-- But as no application has been received from you, I find myself under the necessity of suspending any allowance of the Charge until I receive from you an explanation of the service for which the Boat is required and a particular account of the Cost with regular Vouchers for the several items". /Underscoring supplied/.

Further proof, if needed, is contained in ancient records unearthed in the Philadelphia Custom House by Collector of Customs Fred C. Peters and described by Customs Inspector Thomas Hornsby in a mimeographed monograph dated 25 October 1960. The most significant of these documents comprise an exchange of correspondence between Colonel Sharp Delaney, Collector at Philadelphia, and Secretary Hamilton. The original of Hamilton's letter to Delaney, together with copies of the latter's to Hamilton, were recently made available to the Coast Guard on permanent loan from the Bureau of Customs; they have been added to the Academy's library collection.

Mr. Hornsby's monograph, quoting freely from the documents, follows:

"On 2 October 1789, the Secretary of the Treasury, Alexander Hamilton, wrote the several Collectors of Customs, in their districts:

'It was in contemplation of Congress to employ boats for the security of the Revenue against contraband. I shall be glad to have your ideas of the expediency of employing them in your quarter, and (if any appear to you necessary) of the number and kind you deem requisite, their armament and probable expense. Should any have been in use under the State Regulations, I desire they may be continued and that I may be advised with accuracy of the nature of their establishment.'

"Colonel Sharp Delaney, the first Collector at Philadelphia, under the newly organized Treasury Department, was then ill, and unable to perform the duties of his office. It was not until 31 October that he had recovered sufficiently to make a reply, but his answer is most enlightening on the subject:

'Sir - I should have laid my ideas respecting Boats before you - long since - had I not thought Mr. Meredith had done it, as he is well acquainted with the necessity of having such. I am confident in our Bay and River they are essentially necessary - and would in a great degree prevent smuggling. The great length of our River, the many creeks and inlets, and the great number of small craft are inducements to evil disposed people to attempt evading the laws - nay, from information, I am well convinced such doings have taken place already, especially in Coffee, which is an article easily run - I know of no other way to prevent and discourage such doings, unless by boats properly stationed - and strictly obliging all masters to produce manifests to the boarding officer according to Law - and even placing an inspector on board, as far down the River as possible. In consequence, I procured a barge with sails, etc., and kept her constantly plying between this port and Newcastle with directions to board every vessel and receive their manifests, and place an officer on board. I have kept it going night and day, and directed the officer to board the River Craft and inform them of his duty. The number of boats necessary in our Bay and River I think should be not less than three at least on first setting out. A decked boat to ply the Capes and in our Bay - a row boat to be stationed at Reedy Island to ply from Newcastle to Salem & Cohansey - and the shores on each side of the Delaware. Another row boat to ply between Philadelphia and Newcastle - to take such inspectors as may be off duty and put them on board such vessels as they may meet coming up. Please excuse the incoherence of my letters - as I am yet so unwell as to write them in my bed - I have scarce thought to read them over.'

"Colonel Delaney, with his military background, was impatient of the time and delay that would permit him to have a proper armed vessel under his direction and command on patrol in the Delaware. In February 1790 he again wrote Secretary Hamilton on the subject:

'In respect to the boat, no time can be lost if you approve the measure, as well as to securing a fit one as to materials; and instead of our inspectors awaiting the arrival of vessels in port - they could be put immediately on board on coming into the Capes. I need not dwell to you sir, on how many advantages that will attend - and therefor shall only request you giving such consideration to this business as you deem proper. If you have had leisure to consider the business of Boats, it would give me a great deal of satisfaction to know your opinion - one reason that now induces me to trouble you, is, that a vessel I seized will soon be brought to trial, and I believe will be condemned and I am informed by intelligent people she would answer well, and would cost little, not half what one could otherwise be procured for.'

"Secretary Hamilton did not purchase Colonel Delaney's boat but instead a bill was presented to Congress on 23 April 1790, Section Five of which provided for the establishment of the United States Revenue Marine Service with an initial fleet of ten small cutters. The bill attracted considerable attention and resulted in lengthy debate, which finally resulted in the bill passing both Houses. The establishment of pay and rations, the contracting for the building of the cutters, the enlistment of crews, took most of the ensuing year. It was not until 21 March 1791 that the commissions were granted to the Masters and Mates of the newly built vessels. This is indicated by Secretary Hamilton's letter to Colonel Delaney which is dated 19 May 1790, shortly after the passage of the bill by Congress:

'Sir - The establishment of Custom House boats as you are informed, under the confederation of Congress, was passed this time. But the circumstances which led to the temporary arrangement in your district appear still to be of so useful weight, as to induce to a continuance of the measure, until the proposed establishments shall be completed.'

"It appears from the above correspondence, that Colonel Sharp Delaney's 'barge with sail, etc.', which was in use on the Delaware in August or September of 1789, was

the first such vessel used in the United States Revenue Marine Service. Today this organization is known as the United States Coast Guard, adopting its origin and flag from the early revenue vessels, and being in fact, a direct descendant in line of Collector Delaney's revenue enforcement boat, and that the date of the founding of this service is not 1790 as long supposed, but rather 1789, when this small, but duly authorized boat was first put to use."

Hornsby's monograph and conclusions are the basis for an article, "Data May Upset Coast Guard History", which appeared in The Philadelphia Inquirer for 30 October 1960 and also for Paul Jones' "Candid Shots" column, under the sub-title, "Born on Our River", in The Philadelphia Evening Bulletin for 3 November 1960.

Mr. Hornsby's conclusion that Philadelphia's 1789-model custom's "barge with sail" was the first vessel in the United States Revenue Marine Service overlooks the fact that there was no "United States Revenue Marine Service", by name, until well after enactment of the 1790 statute. Hamilton himself, in his letter of 19 May 1790 (supra), called the first cutters "Custom House boats"; elsewhere, he is known to have referred to them collectively as "the system of cutters"; only somewhat later did the name "United States Revenue Marine" arise. Moreover, we must contend that Colonel Delaney's "barge with sail" was simply an administrative tool, and that, although it was one forerunner of the system of cutters, it was not a formal member of a statutory cutter fleet in 1789. Thus, his final conclusion that the service was founded in 1789 rather than 1790 has no validity.

Nonetheless, Mr. Hornsby's discovery of these documents and his recognition of their historic worth is a distinct service to the Coast Guard, for the records describe and underscore in specific terms the operational requirement that justified the Congress in establishing a Coast Guard fleet.

17  
Treasury Department  
May 19th. 1790

Sir

The establishment of Custom house boats as you are informed, under the consideration of Congress at this time. But the circumstances which led to the temporary arrangement in your district appear still to be of so much weight, as to induce to a continuance of the measure until the proposed establishment shall be completed.

I am with respect

Sir, Your obedt. servt.

A Hammett

Secy of the T<sup>re</sup>

Sharp Delany Esq<sup>r</sup>  
Collector for the Port of  
Philadelphia

65.

Treasury Department

May 29<sup>th</sup> - 1790

Sir

Your letter of the 18<sup>th</sup> May has been duly received, and I learn from it, that you have purchased a Boat for the purpose of better securing the Revenues. I have in some instances on previous application permitted the purchase of open Boats for Harbour service, and it is possible, that it might not have appeared improper to extend this permission to the District of Bath - But as no application has been received from you, I find myself under the necessity of suspending any allowance of the Charge, untill I receive from you an explanation of the service, for which the Boat is required & a particular Account of the Cost with regular Vouchers for the several items.

I am Sir

Your obedient Servant.

A. Hamilton

Wm Webb Esquire  
Collector at  
Bath

## THE ORIGIN OF THE UNITED STATES COAST GUARD

Evidence recently discovered in the records of Collector of Customs Fred. C. Peters, seems to indicate that the United States Coast Guard, like the United States Marine Corps, owes its origin and early beginning to the Port of Philadelphia.

On 2 October 1789, the Secretary of the Treasury, Alexander Hamilton, wrote the several Collectors of Customs, in their districts; "it was in contemplation of Congress to employ boats for the security of the Revenue against contraband. I shall be glad to have your ideas of the expediency of employing them in your quarter, and (if any appear to you necessary) of the number and kind you deem requisite, their armament and probable expense. Should and have been in use under the State Regulations, I desire they may be continued and that I may be advised with accuracy of the nature of their establishment."

Colonel Sharp Delaney, the first Collector at Philadelphia, under the newly organized Treasury Department, was then ill, and unable to perform the duties of his office. It was not until the 31 October that he had recovered sufficiently, to make a reply, but his answer is most enlightening on the subject:

"Sir:

I should have laid my ideas respecting Boats before you - long since - had I not thought Mr. Meredith had done it, as he is well acquainted with the necessity of having such. I am confident in our Bay and River they are essentially necessary - and would in a great degree prevent smuggling. The great length of our River, the many creeks and inlets, and the great number of small craft are inducements to evil disposed people to attempt evading the laws - nay, from information, I am well convinced such doings have taken place already, especially in Coffee, which is an article easily run - I know of no other way to prevent and discourage such doings, unless by boats properly stationed - and strictly obliging all masters to produce manifests to the boarding officer according to Law - and even placing an inspector on board, as far down the River as possible. In consequence, I procured a barge with sails, etc., and kept her constantly plying between this port and Newcastle with directions to board every vessel and receive their manifests, and place an officer on board. I have kept it going night



and day, and directed the officer to board the River Craft and inform them of his duty. The number of boats necessary in our Bay and River I think should be not less than three at least on first setting out. A decked boat to ply the Capes and in our Bay - a row boat to be stationed at Reedy Island to ply from Newcastle to Salem & Cohansey - and the shores on each side of the Delaware. Another row boat to ply between Philadelphia and Newcastle - to take such inspectors as may be off duty and put them on board such vessels as they may meet coming up. Please excuse the incoherence of my letters - as I am yet so unwell as to write them in my bed - I have scarce thought to read them over."

Colonel Delaney with his military background, was impatient of the time and delay that would permit him to have a proper armed vessel under his direction and command on patrol in the Delaware. In February 1790 he again wrote Secretary Hamilton on the subject:

"In respect to the boat, no time can be lost if you approve the measure, as well as to securing a fit one as to materials; and instead of our inspectors awaiting the arrival of vessels in port - they could be put immediately on board on coming into the Capes. I need not dwell to you sir, on how many advantages that will attend - and therefor shall only request you giving such consideration to this business as you deem proper. If you have had leisure to consider the business of Boats, it would give me a great deal of satisfaction to know your opinion - one reason that now induces me to trouble you, is, that a vessel I seized will soon be brought to trial, and I believe will be condemned and I am informed by intalligent people she would answer well, and would cost little, not half what one could otherwise be procured for".

Secretary Hamilton did not purchase Colonel Delaney's boat but instead a bill was presented to Congress on 23 April 1790, Section Five of which provided for the establishment of the United States Revenue Marine Service with an initial fleet of ten small cutters. The bill attracted considerable attention and resulted in lengthy debate, which finally resulted in the bill passing both Houses. The establishment of pay and rations, the contracting for the building of the cutters, the enlistment of crews, took most of the ensuing year. It was not until 21 March 1791 that the commissions were granted to the Masters and Mates of the newly built vessels. This is indicated by Secretary Hamilton's letter to Colonel Delaney which is dated 19 May 1790 shortly after the passage of the bill by Congress:

"Sir:

The establishment of Custom House boats as you are informed, under the confederation of Congress, was passed this time. But the circumstances which led to the temporary arrangement in your district appears still to be of so useful weight, as to induce to a continuance of the measure, until the proposed establishments shall be completed".

"It appears from the above correspondence, that Colonel Sharp Delaney's "barge with sail, etc.," which was in use on the Delaware in August or September of 1789, was the first such vessel used in the United States Revenue Marine Service. To-day this organization is known as the United States Coast Guard, adopting its origin and flag from the early revenue vessels, and being in fact, a direct descendant in line of Collector Delaney's revenue enforcement boat, and that the date of the founding of this service is not 1790 as long supposed, but rather 1789, when this small, but duly authorized boat was first put to use."

Thomas Hornsby  
Custom Inspector, Phila.  
10/25/60

# Data May Upset Coast Guard History

Fred C. Peters, Collector of Customs here, has unearthed some documents that may require historians to revise their notions on the age and origin of the U. S. Coast Guard.

The maritime arm of the Treasury Department, just about all history buffs agree, came into being in 1790 when Congress authorized construction of a fleet of 10 cutters at the urgent behest of Alexander Hamilton, first Secretary of the Treasury.

## 1ST CUTTER IN 1789

But Peters says documents in his possession reveal that Philadelphia had a Coast Guard boat plying the Delaware as early as 1789, when the guard was still a gleam in Secretary Hamilton's eye.

The documents are copies of an exchange of letters between Hamilton and Philadelphia's first Collector of Customs, Col. Sharp Delaney. They have persuaded Peters that the Coast Guard, like the U. S. Marine Corps, owes its origin to the Port of Philadelphia.

On Oct. 2, 1789, Peters explained, Hamilton sent a form letter to his collectors of customs, asking their views on the creation of a fleet of revenue boats to guard against smuggling.

Delaney replied on Oct. 31 asserting that in his opinion such a fleet was "essentially necessary." Then the Collector made a revelation on which Peters is basing his case.

Noting that some smuggling already was going on "especially in coffee, which is an article easily run," Delaney informed Hamilton:

## ON DUTY NIGHT AND DAY

"In consequence, I procured a barge with sails, etc., and kept her constantly plying between this port and Newcastle with directions to board every vessel and receive their manifests, and place an officer on board."

Delaney's letter continues: "I have kept it (the boat) going night and day, and directed the officer to board the river craft and inform them of his duty."

In 1789, Hamilton wrote again to Delaney. He notified the Collector the Congress had acted favorably on the bill to set up a coast guard. But the Treasury secretary, aware it would be some time before the 10 cutters actually were afloat, advised Delaney to keep his "barge with sails" seaworthy.

"The establishment of Custom House boats as you are informed," wrote Hamilton, "un-

der the confederation of Congress, was passed this time.

"But the circumstances which led to the temporary arrangement in your district appears still to be of so useful weight, as to induce a continuance of the measure until the proposed establishments shall be completed."

## CUTTERS READY IN 1791

It wasn't until 1791 that the cutters were ready for service.

Says Peters:

"It appears from the correspondence that Col. Sharp Delaney's barge with sails, etc., which was in use on the Delaware in August or September of 1789, was the first such vessel used in the United States Revenue Marine Service, the organization known today at the United States Coast Guard.

"The Coast Guard," concludes Peters, "is in fact a direct descendant in line of Collector Delaney's revenue enforcement boat. Therefore it appears that the date of the founding of this service is not 1790 as long supposed, but rather 1789, when this small but duly authorized boat was first put to use."

November 3, 1960

CANDID SHOTS

Born on Our River

By PAUL JONES

Fred Peters, Collector of Customs at the Port of Philadelphia, who, like ourself, is something of a history buff, has staked out a claim to another Philadelphia first.

The Coast Guard, known up until 1915 as the U. S. Revenue Cutter Service, was born, he believes, on the broad reaches of our own Delaware, and the date was 1789, not 1790. In those days the Collector of the Port was Colonel Sharp Delany, a friend and comrade-in-arms of Washington.



The new government, under the Constitution of 1787, had just been formed. Congress, in its first session, made it the first order of business to provide for the public revenue, that is, for the collection of customs duties. It was not till 1790 that they provided a service of boats to prevent smuggling.

Meanwhile, Alexander Hamilton thought the State revenue cutters ought to keep busy, and wrote Colonel Delany to ask what was being done. Did he think such guard boats were necessary?

Delany, then working out of the first Customs House, at the corner of Front Street and Black Horse Alley, replied, under date of October 31, 1789. "I am confident," he wrote,

"they are essentially necessary—and would in a great degree prevent smuggling. The great length of our River, the many creeks and inlets, and the great number of small craft are inducements to evil disposed people to attempt evading the laws—nay, from information, I am well convinced such doings have taken place already, especially in Coffee, which is an article easily run—I know of no other way to prevent and discourage such doings, unless by boats properly stationed—and strictly obliging all masters to produce manifests to the boarding officer according to law, and even placing an Inspector on board, as far down the River as possible.

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"The number of boats necessary to our Bay and River, I think should be not less than three. . . . A decked boat to ply off the Capes and in our Bay—a row boat to be stationed at Reedy Island to ply from Newcastle to Salem and the shores on each side of the Delaware. Another row boat to ply between Philadelphia and Newcastle—to take such Inspectors as may be off duty and put them on board such vessels as they may meet coming up."

It was sound thinking, and the Colonel already had his barge with sails in the service of the new Federal government, long before Congress authorized the fleet of ten cutters, with suitable officers and crews. For seven years, until 1798, they were the only Navy we had.

Colonel Delany might have mentioned also, among his current difficulties, the fact that smuggling had been a praiseworthy occupation during much of the preceding twenty years. In the 1760's, colonial patriots acquired merit by eluding His Majesty's customs, and roughing up the King's men, whenever they tried to collect any impost whatsoever, from the Stamp Tax to the duty on tea.

During the British occupation of Philadelphia, and at other odd times, running contraband was not only profitable to many resourceful people; it was also patriotic. Citizens along the waterfront had got out of the habit of paying much attention to customs. It was difficult to bring smuggled goods up to the city wharves, but the creeks and estuaries were as handy for the ill disposed as they were 135 years later, during Prohibition. And for years, until the revenue cutter service and the shore patrols were properly organized, Egg Harbor and South Jersey generally were much favored by illicit importers of dutiable goods.

But old Colonel Sharp Delany had his barge with sails on guard in the Delaware from the very first.