

*R. A. Shields*

### **Canada, the Foreign Office and the Caribbean Market 1884-1895**

When the United States and Spain reached an agreement in early 1884 on a commercial convention affecting trade between the U.S.A. and Cuba and Puerto Rico, considerable concern was expressed in both London and Ottawa. The agreement, concluded on January 2 and subsequently modified on the 13th of that month, removed all differential flag duties on United States cargoes and vessels plying the trade routes to the Spanish Antilles. In addition, the convention called for perfect equality of treatment between the islands and the U.S.A. by the reciprocal removal of all extra duties and discriminatory tariffs that had previously been in effect.<sup>1</sup>

Canada's commercial links with the Caribbean seemed threatened and nowhere was this threat more felt than in the Maritime provinces. Though the West Indies did not compare with either the United States or the United Kingdom as markets for exports, the British sugar islands and the Spanish Antilles ranked fourth and fifth respectively in total dollar value of Canadian exports. Thus, in 1884 the Dominion exported commodities to the British West Indies to the value of \$1,712,283 and \$1,044,739 to Cuba and Puerto Rico. Of more significance was the fact that the Maritimes accounted for \$1,561,716 of the products shipped to the British West Indies and \$1,035,387 of those destined for the Spanish colonies.<sup>2</sup>

Ottawa's policy regarding Caribbean trade seemed clear. The High Commissioner to London, Sir Charles Tupper, with the blessing and approval of the imperial government, should open negotiations with Madrid with a view to obtaining trade concessions in the Antilles comparable to those won by Washington. The question at issue, of course, was the degree to which imperial diplomacy would aid and abet Canada's goals. Would the Foreign Office, for example, be prepared to place Ottawa's emissary on a level of equality with London's Minister to Madrid? Equally, would a British administration dedicated for two generations to the virtues of free trade permit a protectionist dependen-

cy to steal a march on the United Kingdom by granting a foreign power tariff preference, a preference the mother country herself was incapable of offering? Finally, to what degree would imperial officialdom promote Canadian self-interest to the possible detriment of British self-interest in what was obviously a lucrative market? The answers to these questions, it will become apparent, cast considerable light on Anglo-Canadian relations in the late nineteenth century.

The necessity for Ottawa to offset United States gains in the Caribbean became more urgent with the commencement of negotiations in the mid-summer of 1884 by the British Minister to Washington, Sir Lionel Sackville-West, for a trade agreement between the U.S.A. and the British West Indies. Canada's reaction to an emerging American economic challenge was swift, being prompted by growing concern in the Maritimes.

The Prime Minister, Sir John A. Macdonald, urged the High Commissioner to keep a close eye on the West Indies-U.S.A. negotiations. According to Macdonald, if Washington succeeded in concluding a reciprocity agreement with the British sugar islands it would cut Canada "off from the West India trade." Sir John, however, took some comfort in the fact that Tupper had received assurances from Whitehall that the Washington discussions would not result in West Indies concessions to the United States which would discriminate against Canadian goods.<sup>3</sup>

In the Maritimes a broad degree of unrest revealed itself as news of the twin American initiatives became public. At a special meeting of the Saint John, New Brunswick, Board of Trade of November 24, 1884, a concerned member called for the creation of "such an agitation" that both London and Ottawa would be forced to take measures leading to Canadian trade being placed "on an equal footing" with the United States in the Caribbean. The best means of achieving this end appeared to be the association of Sir Charles Tupper with Britain's Minister to Madrid when negotiations for an Anglo-Spanish commercial treaty began.<sup>4</sup>

At subsequent meeting of the Saint John Board tempers became more frayed. W. W. Turnbull of that city argued that if both Canada and Britain allowed the United States to dominate the Caribbean commercially, the Maritime provinces might just as well annex themselves to their neighbour to the south.<sup>5</sup> Eloquence and emotion of this nature resulted in the passage by a large majority of a resolution urging the Maritime governments to bring all pressure to bear upon Ottawa to safeguard the region's trade with the West Indies. Highly critical of John A. Macdonald's administration for favouring the development of the Canadian

West, the Board membership argued that Confederation had not benefited the Maritimes. The members added that only their loyalty to the Crown prevented them from taking more precipitate action!<sup>6</sup>

Ottawa's reaction to the Spanish-American negotiations was balanced and concise, displaying more initiative than the Saint John Board had been prepared to admit. In the early summer of 1884 the cabinet had agreed that Sir Charles Tupper should proceed to Madrid with a view to opening discussions with Spain. On the understanding that Canadian trade would be granted the same tariff and differential flag duties granted to the U.S.A., Ottawa was prepared to remove the *ad valorem* duty of 27-1/2 per cent on sugar shipped from the Spanish Antilles.<sup>7</sup> This proposal was quickly expanded to include a recommendation that Canada would eliminate the 30 per cent duty on wines from Spain herself in return for most-favoured-nation treatment in that country and a reduction in duty equal to the proposed reduction in wine duties on Canada's exports of dried fish and timber to the Spanish mainland.<sup>8</sup>

Where Canadian trade with the British West Indies was concerned, Ottawa moved equally swiftly to protect the country's export market. Should discussions with Madrid result in concessions to Spanish West Indian commodities, Canada would extend such concessions to British West Indian products provided that those islands granted Canadian goods terms similar to those that might be accorded the U.S.A.<sup>9</sup>

With Ottawa's policy guidelines thus established, it fell to Tupper to implement Canada's quest for a more accessible Caribbean market. From London Tupper reported, somewhat optimistically, that the way was clear for substantive discussions with Madrid. The British Minister to Spain, Sir Robert Morier, in the imperial capital for meetings with the Foreign Office, had reached agreement with that department that Sir Charles should proceed to Madrid in mid-September.<sup>10</sup>

On an equally optimistic note the High Commissioner described his projected trip to the Spanish capital as a substantial advance for Canada's claim to have a decisive voice in the conclusion of treaties affecting the country's commercial relations. The Foreign Secretary, Lord Granville, had agreed to grant Tupper "plenipontary powers in conjunction with the British Minister at Madrid" to negotiate and sign a treaty with the Spanish government. This imperial concession, Sir Charles argued, placed the Canadian delegate in a very favourable position where contacts with foreign powers were concerned. Indeed, his status stood in marked contrast to that of the first High Commissioner to London, Sir Alexander Galt, who had acted as merely an adviser to the British Minister when the first overtures were made to Madrid in 1879.<sup>11</sup>

Tupper's optimism regarding negotiations with Spain and the degree to which imperial authority would support Canadian policies proved to be unfounded. In the first instance, Whitehall itself was bending every effort to promote and ultimately conclude an Anglo-Spanish commercial agreement which meant very simply that Canada's interest would take second place to over-all British concerns. On this score Lord Granville had earlier informed Sir Robert Morier that although commercial problems affecting both countries' colonies might well be dealt with in the over-all negotiations, they were "not . . . of equal importance compared to Anglo-Spanish trade nor was a definite settlement of them equally pressing."<sup>12</sup>

Within the Foreign Office considerable concern was expressed regarding Ottawa's proposal to begin trade discussion touching upon both Spain and the Spanish Antilles. Speaking for that department the parliamentary Under-Secretary, Lord Edmund Fitzmaurice, pointed out that concessions by Madrid on such an obvious Canadian export as dried fish would seriously affect British exports of that commodity. Also, Ottawa had not made it at all clear that proposed Canadian duty reductions on Spanish West Indian sugar would automatically be extended to the British West Indies. Thus, Fitzmaurice questioned Canada's proposed discussions in Madrid and called for a clarification of Ottawa's policies.<sup>13</sup>

Fitzmaurice's reservations regarding Ottawa's tactics were echoed by his colleague Charles Kennedy, at that time Head of the Commercial Department in the Foreign Office. Kennedy bluntly accused Canada of "playing . . . a trick" on imperial officialdom. In the first instance Canada's proposals as they touched upon the British West Indies were "very obscure." There was the distinct possibility that treaty negotiations with Madrid would lead to an agreement placing West Indian commodities at a disadvantage in the Canadian market. As the Foreign Office would only open the discussions in the Spanish capital "when set in motion by the Colonial Office," Kennedy recommended that his department take no action until a request for negotiations on behalf of Ottawa came from their sister ministry.<sup>14</sup> His remarks and the warnings of Fitzmaurice indicated quite clearly that the Foreign Office would keep a watchful eye on any Ottawa-Madrid discussions particularly where injury to British trade interests or damage to other members of the Empire became serious issues.

Colonial Office reaction to Canada's proposals was far more sympathetic than that engendered in the Foreign Office. The permanent Under-Secretary Sir Robert Herbert, commented that Canada was quite

willing to conclude an agreement with the West Indies similar to one that might be reached with the Spanish islands. Also, Herbert questioned that London could claim the identical privileges Canada might obtain from Spain and her colonies when a free-trade Britain had nothing to offer Madrid in the way of trade concessions. Imperial demands of this nature, he argued, deserved "careful consideration" as their implementation would bear "hardly" on a colony such as Canada.<sup>15</sup>

By the opening of the new year it was clear that the United States Senate was not prepared to ratify the commercial treaty with Spain. Given this development, Charles Tupper turned to the proposed negotiations between London and Madrid for amendments to the existing Anglo-Spanish trade agreement. The purpose of these negotiations was to obtain most-favoured-nation treatment for British commodities in Spain, Cuba and Puerto Rico. Tupper recommended that Canada should be included in the negotiations. In this manner Canadian exports might well be granted the same privileges accorded United Kingdom goods.<sup>16</sup>

Regarding the negotiations between the U.S.A. and the British West Indies, the High Commissioner was sanguine. The discussions would probably come to nothing. However, if any agreement was reached Canada would not suffer. Both the Colonial Office and the Foreign Office had "assured" Sir Charles that any West Indian concessions made to the United States would automatically be extended to Canadian commodities. The High Commissioner noted in an almost plaintive tone that he was keeping an eye on "everything" that could affect Canada's interests and that he would "do all" in his power "to safeguard them."<sup>17</sup>

Canada's promotion of expanded trade in the Caribbean took second place to British commercial interests over the period 1885 to 1886. During this time the new British representative to Madrid, Sir Clare Ford, pursued somewhat dilatory but ultimately successful negotiations leading to an Anglo-Spanish treaty on April 6, 1886. In essence, the agreement guaranteed Britain and her colonies most-favoured-nation treatment in Spain and the Spanish possessions but only to the extent enjoyed by France under the terms of the Franco-Spanish treaty of 1882.<sup>18</sup>

The problems facing Ottawa under Britain's new accord with Madrid were obvious. Though Canadian goods would receive the same preference in the Antilles as French products they would not be granted the "exceptional privileges" accorded the United States under the Spanish-

American agreement which though signed had yet to be ratified by the Senate. Should this treaty be ultimately ratified, Tupper noted, then Canada should seek London's approval at once "to enter into further negotiations" and thus assure herself of an accessible and preferred Caribbean market.<sup>19</sup>

Though Tupper had alerted Whitehall regarding Ottawa's continuing concern over West Indian trade, the entire issue declined in importance in the aftermath of Sir Clare Ford's successful treaty negotiations. In the first instance, Tupper was summoned home in late 1886 by an anxious Prime Minister to participate in the upcoming federal election. As Sir John pithily assessed the Conservatives' electoral prospects, he did not want to "contemplate the . . . consequences" of fighting the campaign without the redoubtable Tupper.<sup>20</sup>

The Caribbean market faded even more from Ottawa's purview following the successful Conservative campaign in the spring of 1887. In the aftermath of the election Tupper found himself an active participant on the Anglo-American Fisheries Commission established by London and Washington to bring about a resolution to the burning North American fisheries dispute between Canada and the United States. The Commission, which began its labours in November, 1887, effectively occupied Tupper until early 1888, when he returned to London as High Commissioner to pursue the will-o'-the-wisp of a successful trade agreement with Spain and her Caribbean possessions.

By the fall of 1888 Tupper had received Foreign Office notice that he and Sir Clare Ford had been appointed joint plenipotentiaries to negotiate with Madrid on the subject of Canadian-West Indian trade. Ottawa had authorized the High Commissioner to offer duty reductions on Cuban and Puerto Rican sugar in return for tariff concessions for such traditional exports from Canada as fish, lumber, potatoes, flour and certain manufactured goods. With the preliminaries settled, Tupper jauntily cabled Ford that he would "leave in a few days" for Madrid.<sup>21</sup>

Tupper's projected mission suffered an immediate set-back. He was tersely informed by the ambassador not to give himself the "trouble of coming to Madrid" until Ford had communicated further with him. Equally blunt was Sir Clare's acerbic comment that he and the Madrid embassy had not received a "word of news" from the Foreign Office regarding the High Commissioner's arrival.<sup>22</sup>

Obviously concerned that his initial telegram had been intemperate and peremptory, as well it was, Ford took pains to clarify his position. As Britain currently enjoyed most-favoured-nation treatment in Spain

and her possessions, the Spanish government might be very reluctant to open negotiations with Canada which would bring down on Madrid the criticism of other foreign powers. Also, the Spanish government was not aware of Ottawa's policies on Canadian-West Indian trade and the arrival of Sir Charles without clarification of Ottawa's proposals would result in his mission being "seriously compromised."<sup>23</sup>

Ford's subtle though emphatic rejection of Tupper's trip produced a spate of criticism within the Foreign Office that was hardly edifying. Charles Kennedy pointed out that Ford had previously discussed the possibility of negotiations in Madrid with Tupper while in London. Though the ambassador had not been subsequently informed officially of the High Commissioner's visit he had been consulted on the entire issue.<sup>24</sup> Lord Salisbury, holding down the twin portfolios of Prime Minister and Foreign Secretary, brusquely complained that his department had gone ahead and approved of "diplomatic missions" without he as Foreign Secretary "knowing something about it."<sup>25</sup> In reply, Sir James Ferguson, the parliamentary Under-Secretary, pointed out that he had contacted the Colonial Office urging a delay in Tupper's trip given Ford's objections. However, Sir James acerbically noted that Lord Salisbury himself had sanctioned the preliminary discussions between the ambassador and the High Commissioner and that it was on this basis that the subsequent steps leading to the proposed negotiations in Madrid had been implemented.<sup>26</sup> In this context it is tempting to comment that the right hand did not know what the left hand was doing at the higher levels of imperial officialdom.

In an obvious attempt to mend his fences with London, Sir Clare Ford approached the Spanish government urging a commencement of discussions on Canadian-Antilles trade. According to the ambassador the subject of such trade had originally been introduced by Sir Alexander Galt in early 1879 and unfortunately had come "to nothing." Now, a decade later, Ford wondered if the Spanish government was willing to meet with Tupper and himself "for the object in view."<sup>27</sup>

Ford's belated attempt to open discussions with Madrid hardly endeared him to Canada's Charles Tupper. Having been made privy to the ambassador's correspondence, the High Commissioner bitterly criticized imperial diplomacy and imperial diplomats. In the first place the ambassador was quite incorrect in referring to Tupper's visit to Madrid as a renewal of Alexander Galt's negotiations. Equally, Sir Clare should not have described those earlier endeavours as "coming to nothing." Rather, the ambassador should have clearly informed the Spanish authorities that the imperial government had appointed Tupper

and himself as joint plenipotentiaries to negotiate a treaty affecting trade between Canada and the Spanish West Indies. In failing to act in this manner Ford had brought about a delay of six weeks during which time no reply had been received from Madrid.<sup>28</sup>

Tupper's umbrage at what he regarded as unnecessary delays on the part of the Foreign Office hardly equalled his concern over Canada's role in any negotiations with Spain. From his analysis of Ford's despatches the High Commissioner learned that the ambassador had been "authorized . . . to negotiate a commercial convention between Great Britain and Spain for an extension of trade between Canada and Spain" and that Tupper would be "associated" with him in that task.<sup>29</sup> Sir Charles' reaction was swift and emphatic. He, as Canada's emissary, had been named a "joint plenipotentiary" with Ford to promote the Madrid negotiations. Obviously, the ambassador had "misapprehended" the Foreign Office instructions.<sup>30</sup>

On the issue of Tupper's criticisms the Colonial Office joined ranks with its sister department. Ford had not "misapprehended" the Foreign Office's instructions. Both Ford and the High Commissioner had been issued a "full power jointly." As the Colonial Office viewed the squabble, Ford's despatch most certainly did not support "the interpretation placed upon it" by Ottawa's irritable emissary.<sup>31</sup>

In his more private utterances Tupper viewed the proposed negotiations in an entirely different light from that projected by Whitehall. Admittedly the imperial government had appointed him a joint plenipotentiary and he had received all the support he "could desire" from Lord Salisbury. It was a different matter with Ford. The ambassador was "justly proud" of his 1886 Anglo-Spanish trade agreement and would not countenance any Canadian "improvement upon it." Indeed, when the ambassador was in London he had raised "all sorts of difficulties" in the way of Tupper's proposed journey to Madrid.<sup>32</sup> From his comments it was clear that the High Commissioner as a colonial envoy was being less than subtly opposed by a long-time career diplomat.<sup>33</sup>

In retrospect, it seems obvious that Tupper's petulance and arguments carried considerable weight with the Foreign Office. Charles Kennedy stressed that nothing should be done to upset negotiations affecting "the commercial interests of the Colonies." He recommended that Ford be informed immediately that the Foreign Office regarded Canada's goals as important and that the imperial government was "desirous" of promoting Ottawa's "wishes." In what can only be described as a veiled rebuke to Ford, Kennedy stressed that the ambassador should give Canadian interests "his best attention."<sup>34</sup> Lord



Salisbury gave guarded approval to such advice observing in a somewhat unkindly manner that Tupper was determined to "quarrel" and that it would be far "better" that he "do it in Madrid!"<sup>35</sup>

Despite a belated imperial approval, the proposed Canadian-Spanish negotiations fell into disobedience with the opening of 1889. Though Canada's leading journal of commercial opinion optimistically informed its readers Tupper would shortly open discussions in Madrid, the High Commissioner had other matters in mind.<sup>36</sup> In February of the new year he informed the Colonial Office that due to a projected visit to Canada there was hardly any time for him to contemplate a visit to the Spanish capital.<sup>37</sup> Thus the quest for a Caribbean market remained suspended until mid-1891 when news of new United States initiatives in Madrid raised all over again Canadian fears of a growing American economic hegemony in the region.

During the summer of 1891 it became apparent that Madrid and Washington had concluded a far-reaching agreement touching upon U.S.A.-Antilles trade. Canadian concern was immediately expressed by the Finance Minister, George Foster, who hastily cabled Tupper urging him to find out if the treaty discriminated against Canadian exports to the region. A sense of urgency coloured Foster's despatch as the High Commissioner was instructed to "act promptly."<sup>38</sup>

Tupper's soundings in Whitehall did not bode well for Canada. According to the Foreign Office the best that Ottawa could expect in the Spanish sugar islands was most-favoured-nation treatment for Canadian exports down to June 30, 1892 when the Anglo-Spanish treaty of 1886 would expire.<sup>39</sup> The Colonial Office was equally gloomy. As that department viewed the new accord, Washington's initiatives were the direct result of the recently enacted McKinley tariff. Under the terms of this legislation the President could impose heavy duties on sugar, molasses, tea, coffee and hides if he considered that countries exporting such commodities to the United States had imposed unjust tariffs on United States products. Thus, the McKinley tariff was a weapon which could and would be used to force Central and Latin American nations and the Caribbean colonies to grant concessions to and make agreements with the U.S.A. John Anderson of the Colonial Office bleakly observed that the new treaty severely affected "England as well as Canada and the West Indies."<sup>40</sup>

The fact that United States diplomacy under the aegis of the McKinley tariff posed a threat to both British and Canadian trade interests evoked a demand for retaliatory action against Washington. Sir Alexander Galt urged tariff retaliation against the U.S.A. by Britain.

Writing privately to William Ewart Gladstone, then leading the Liberal Opposition in the British Commons, the former High Commissioner pointed out that United Kingdom neglect of Canadian interests could well lead to dissatisfaction in Canada with the imperial connection. Also, United States policies in the Caribbean and Latin America leading to a series of successful reciprocity treaties could not help but damage British trade. For Sir Alexander the solution was obvious. Britain should levy duties solely on American grains and agricultural produce. These duties would be removed once Washington agreed to a commercial treaty beneficial to both the United Kingdom and her colonies.<sup>41</sup>

Tupper shared Galt's opinions on the efficacy of tariff retaliation. According to the High Commissioner, Canada's Finance Minister, George Foster, should have personally visited the British West Indies seeking trade outlets while Tupper's own mission to Madrid should have been implemented. As things now stood Canada had relatively little to offer Spain and the only alternative seemed to be a tariff riposte to Spain and her possessions. Thus, Ottawa might be well advised to impose increased duties on the exports of those countries unwilling to enter into reciprocal trade agreements with Canada.<sup>42</sup>

A growing sense of unease over United States West Indian policies shortly revealed itself in the Canadian parliament. F.L. Borden, the Liberal Member for King's County, Nova Scotia, made the obvious point that such traditional exports from Canada as lumber, potatoes and fish would suffer very heavily if United States commodities were granted preference in Cuba and Puerto Rico. Replying for the government, George Foster argued that preference for such American products would not come into effect until the Anglo-Spanish trade agreement expired.<sup>43</sup> Foster's bland assurance did not conceal the administration's apprehension. Tupper was privately instructed to postpone a proposed journey home in order to press his efforts for an agreement with Spain "at the earliest moment."<sup>44</sup>

The entire problem of Canadian trade with the Antilles reached a critical point in the fall of 1891 when Cuban authorities began levying additional charges on Canadian products arguing that Canada was "without a Treaty with Spain." As Sir Clare Ford described the situation, Spanish authorities on the island were dedicated to "making as much money as possible during their uncertain tenure of office." Thus, such officials were able to "squeeze traders" and to "receive bribes." This meant very simply that "a few gold pieces judiciously applied at the Customs Houses" would ensure a "favourable" interpretation of the Anglo-Spanish treaty which included Canada.<sup>45</sup>

hardly required elaboration. As High Commissioner he should be permitted to proceed to Madrid "as soon as possible" or London would run the risk of a major threat to the diplomatic unity of the British Empire.<sup>49</sup>

Tupper's anxieties increased markedly upon being informed that Sir Drummond Wolff had been instructed to proceed to negotiations with Spain for an agreement with London. His qualms rose from the fact that the ambassador had been given discretion to include or exclude Canada from such discussions. As Tupper viewed the situation, the exclusion of Canada from an over-all Anglo-Spanish treaty would simply mean that the difficulties facing Canadian trade in the Caribbean would be greatly "increased."<sup>50</sup>

By the spring of 1892 it was apparent that Britain's own negotiations with Madrid had become mired. As Wolff noted, the discussions had entered a phase "far from satisfactory" and that the entire issue of a trade agreement with Madrid was in "suspense." Given these circumstances the ambassador suggested that Tupper would be wasting his time by travelling to the Spanish capital. He also observed that the Spanish government was determined to treat negotiations with Canada and Great Britain as separate problems.<sup>51</sup>

The growing suspicion that Britain would look to her own commercial interests before those of Canada revealed itself in Ottawa much as Tupper had predicted. Speaking in the Commons the leader of the Liberal Opposition, Wilfrid Laurier, made the obvious point that Canadian and British trade interests were "distinct and separate." Canada was quite obviously dedicated to tariff protection while the United Kingdom still adhered to the gospel of free trade. Given this fact of political and fiscal life, British diplomats and diplomacy had been "on all occasions indifferent to Canadian interests." Laurier argued that Canada's aims and goals were "sacrificed" whenever they conflicted with London's commercial objectives.<sup>52</sup> As will be seen Laurier's comments were a shrewd assessment of the diplomatic imbroglio emerging between Ottawa, London and Madrid.

Having read Wolff's gloomy evaluation of the prospects for a successful negotiation at Madrid, Tupper stood down. He would not travel to the Spanish capital until "a more propitious occasion" offered itself. In the interim Sir Charles recommended that Canada continue to receive most-favoured-nation treatment in the Spanish West Indies for six months following the termination of the British agreement with Spain. This period would enable Ottawa to negotiate suitable terms with Madrid and would require full powers for the High Commissioner to act as a joint plenipotentiary with Wolff.<sup>53</sup>

On the issue of plenipotentiary powers for Tupper, the Foreign Office revealed to the full the concern for British commercial interests to which Laurier had made reference earlier in Ottawa. Sir Henry Bergne, the superintendent of the Office's Treaty Department, warned his colleagues that the ambassador would have to be very thoroughly "instructed" regarding any agreement Tupper might sign. Canada had a protectionist tariff with which to bargain and given this advantage not possessed by a free-trade Britain might "easily steal a march on British trade."<sup>54</sup> Charles Kennedy expressed similar misgivings. In order to offset a possible threat to British trade, he recommended that all the articles of a Spanish-Canadian agreement be referred to the Foreign Office for analysis. Also, no treaty would be implemented until it had received the approval of the imperial government.<sup>55</sup>

With the expiration of the Anglo-Spanish treaty both British and Canadian goods were subjected to higher duties than similar United States commodities exported to Cuba and Puerto Rico. Faced with a deteriorating export market, Ottawa threatened to retaliate against such obvious Spanish West Indian products as sugar, tobacco and molasses. The Canadian threat presaged, of course, a form of commercial warfare which might well work to the detriment of United Kingdom diplomacy in the region. According to Drummond Wolff "a war of tariffs" should never take precedence over "the dispassionate treatment of arrangements." Rather, peaceful initiatives should be commenced which would "be advantageous to all the subjects of Her Majesty." The ambassador's subtle reference to "all the subjects of Her Majesty" was at best a polite euphemism for the trade interests of the United Kingdom in conflict with those of an increasingly petulant Canada.<sup>56</sup>

By mid-1894 Wolff was still attempting to paint as rosy a picture as possible regarding trade prospects in the Caribbean. Admittedly, United States commodities were enjoying "preferential treatment" in Cuba and Puerto Rico. However, these advantages were "exceptionally given" only to the U.S.A. and not to other foreign powers. The ambassador was frank enough to admit that if Spain subsequently granted special privileges to another nation then Canada might well retaliate against Spanish West Indian products and in the process start a tariff war "over which Her Majesty's government would have no control."<sup>57</sup>

Ottawa's threat of economic reprisals, though not implemented, carried considerable weight with Madrid. In order to counter such action the Spanish Minister for Foreign Affairs informed Wolff that Spain was now prepared to conclude a commercial agreement with Canada and would do so "at once."<sup>58</sup> Though the Minister's gesture seemed at last to

have opened the door to genuine negotiations, imperial support for Canada once more foundered on the shoals of British national self-interest.

Entering the lists again to combat Canadian assertiveness, Sir Henry Bergne warned that Canada could very easily obtain commercial privileges in the Antilles by making appropriate concessions on Spanish West Indian goods. As before, Britain with her fiscal policy of free trade would have "nothing to offer" and Canadian success in any Madrid negotiations could "seriously injure British trade." Therefore, London should insist that whatever privileges Ottawa obtained must be extended to the identical range of United Kingdom goods.<sup>59</sup>

On the issue of British as well as imperial interests taking first place over those of Canada, the Foreign Office displayed a marked unanimity. The Foreign Secretary, Lord Kimberley, emphasized that concessions made by Madrid to Ottawa should quite possibly "be extended to the rest of the Empire."<sup>60</sup> His parliamentary Under-Secretary, Sir Edward Grey, commented that the differential duties in favour of United States trade in the West Indies was "perhaps the most deeply felt grievance of British commercial men." If London now went ahead and permitted Canada to obtain differential treatment analogous to that achieved by Washington, the annoyance of United Kingdom exporters would be "nearly doubled."<sup>61</sup> Comments of this nature indicated quite clearly that the Foreign Office would keep a very close eye on any negotiations relating to Canadian trade and on Ottawa's intentions to practice tariff discrimination.

A far more sympathetic attitude characterized the Colonial Office analysis of Canadian policies. There, the rather obvious point was made that in the recently concluded Franco-Canadian commercial treaty of 1892, London had not insisted on French concessions to Canada being extended to Britain and the Empire.<sup>62</sup> The Colonial Office's stand was obvious. Were the projected Spanish-Canadian discussions markedly at variance with those that had been concluded earlier in Paris? On a more historical note the Office noted that British diplomacy had bargained successfully for Canada regarding a reciprocity treaty with the United States in 1854. On that occasion as well the imperial government had not insisted on American concessions being extended to British and Empire commodities.

Pressing its point home the Colonial Office ruefully observed that it was engaged in a "profitless discussion" with the Foreign Office and that both departments were "apart up to a curtain." Emphasis was placed on the fact that the self-governing colonies had received "the

Ottawa to employ retaliatory tariffs against Spain and her colonies. The solution to this problem quite obviously lay in the commencement of the long-postponed and potentially disruptive discussions between Charles Tupper and Spanish officialdom. This solution, however, brought with it again the distinct possibility that Ottawa would use discriminatory tariffs as a bargaining weapon and obtain advantages that militated against United Kingdom exports. Determined to lessen the chances of a Canadian coup, the Foreign Office immediately enlisted the aid of the staunchly *laissez-faire* Board of Trade.

Responding to the Foreign Office request for assistance, the Board of Trade rose to the occasion and cordially damned separate negotiations between Canada and Spain. Sir Courtenay Boyle, the Board's permanent Under-Secretary, patronisingly described Canadian protection as merely the result of "municipal tariffs." It followed, he argued, that such attributes of colonial self-government should not be allowed to lead to the conclusion of "separate preferential commercial arrangements with Foreign powers." Therefore, the imperial government should establish a firm policy under which the self-governing colonies' contacts with the foreign world would be regulated. In this manner "complications" would be avoided which might work to the detriment "not only of the Colonies but of the United Kingdom itself."

Though Boyle's analysis was pure grist to the Foreign Office mill it should be emphasized that the Board Under-Secretary was well aware of the implications in London's regulation of Canada's treaty-making aspirations. He warned his colleagues that direction from Whitehall over a recalcitrant Canada would well "impair imperial unity" and would retard "the development of Imperial Federation."<sup>68</sup>

Sir Courtenay Boyle's evaluation of imperial interests was supplemented in an even more vociferous manner by his departmental colleague Robert Giffen, at that time the Chief of the Board's Statistical Department. Having previously served as assistant editor of *The Economist* over the period 1868 to 1876, Giffen approached his task with impeccable free-trade credentials. Damning Ottawa for putting forward "the most extreme right of separate negotiation," he insisted that dependencies such as Canada must accept the fact that they belonged to an empire "whose policy is one of free trade." Indicative of the total difference between the Board's *laissez-faire* attitudes and those of a highly protectionist Ottawa was Giffen's description of Canada's determination to conclude preferential trading arrangements with foreign powers as "*a most antiquated and barbarous idea.*" The essence of Robert Giffen's recommendations was so acerbic and pungent that it merits notice. The self-governing colonies, he observed,

so long as they belong to a free-trade Empire . . . must not hope for any preferential arrangements for themselves; . . . they must take 'the rough with the smooth' . . . they cannot have the advantage of belonging to the British Empire, and at the same time have preferential arrangements in their commercial dealings with foreign countries.<sup>69</sup>

In the face of such powerful opposition and indeed hostility to Canadian policies, the Colonial Office was obliged to issue a stern rebuke to the self-governing colonies in general and to Canada in particular. On June 28, 1895 the Colonial Secretary, the Marquis of Ripon, addressed a circular letter to the colonies bluntly rejecting their claim to separate and preferential negotiations with the foreign world. As Ripon phrased it, if the colonies discriminated against other powers they would present problems for British diplomacy and the actual achievement of an independent negotiating power would result in increased friction between the dependencies and Whitehall.<sup>70</sup> Though Ripon's ukase was generally directed against a series of resolutions emanating from a conference of the self-governing colonies which had been convened, not surprisingly, by the Canadian government at Ottawa in 1894, it is more than obvious that his directive stemmed from Canada's aggressiveness over the problem of trade relations with the Spanish West Indies.

With the proclamation of Lord Ripon's letter Canada's quest for negotiations with Madrid backed by the threat of tariff retaliation came to a temporary end. Throughout the period under review it was more than apparent that *laissez-faire* United Kingdom administrations could barely if at all reconcile themselves to the policies of a protectionist Canada, though the Colonial Office stood as an exception to this general aversion. The vehement opposition to what was regarded as the heresy of tariff discrimination was eloquently expressed by such career administrators as Charles Kennedy, Henry Bergne, Courtenay Boyle and Robert Giffen. Equally obvious was the fact that their advice, based upon the fiscal policy of free trade and British supremacy in treaty negotiations, influenced politicians of the stature of Lord Kimberley, Edward Grey and in the end, the Marquis of Ripon.

A prevailing theme throughout Charles Tupper's lengthy pursuit of the Caribbean market was the concept of imperial unity. On this issue it was clear that Whitehall regarded Canadian policies as detrimental to the unity of the British Empire and the ephemeral goal of imperial federation that was engaging the attention of British and colonial publics towards the end of the century. With reference to this topic it should be emphasized that Ottawa was not necessarily in agreement with policy makers such as Courtenay Boyle. Canada's Sir John Sparrow

Thompson, Prime Minister in succession to Sir John A. Macdonald who had died in 1891 and Sir John Abbott who had retired from the post in 1892, observed that he had remained "aloof from what was called Imperial Federation." As a movement designed to unite the British Empire, it was "altogether too vague and cloudy" to be practical. Significantly, the Prime Minister noted that he would only support a strengthening of the Empire consistent with "the preservation" of Canada's "financial interests."<sup>71</sup>

An analysis of Ottawa's decade-long struggle reveals clearly that British self-interest, Whitehall's aversion to tariff discrimination and a growing concern for imperial unity had effectively thwarted the Canadian administration. By the same token, however, Canada, through the efforts of her dedicated High Commissioner had dramatized the country's need for expanded export markets and the reality that Canadian administrations pursued fiscal policies that stood in marked contrast to those endorsed by the imperial government. The fact that the Colonial Office as a whole sympathized with and supported Ottawa's policies and that on occasion individuals such as Charles Kennedy could identify with some of Canada's problems demonstrates that Charles Tupper's labours had not been completely in vain. Indeed, it can be argued that Canada's success in negotiating commercial agreements with France in 1907 and the United States in 1911 essentially independent of imperial authority, utilizing protectionist tariffs as a bargaining weapon, and with the blessing and approval of the then Foreign Secretary, Sir Edward Grey, owed much to the late nineteenth-century endeavours of the country's second High Commissioner to London.<sup>72</sup>

#### NOTES

1. For the actual terms of these conventions see *Treaties and Other International Agreements of the United States of America*. Department of State Publication 8728, (Washington, 1974), pp. 571-574.
2. *Sessional Papers of Canada* (1885), Vol. XVIII, No.4, "General Statement (by countries and provinces) of the total Quantities and Values of Merchandise Exported from the Dominion of Canada . . . during the Fiscal Year ending 30th June, 1884." p. 694.
3. Macdonald to Tupper, Private & Confidential, Ottawa, December 24, 1884, *Tupper Papers*, Vol. V, Public Archives of Canada (P.A.C.), Ottawa. Hereafter cited as *Tupper Papers*.
4. See the *Daily Telegraph* (Saint John, New Brunswick), December 2, 1884, for a complete report of the Board's meeting.
5. *Ibid.*, December 3, 1884.
6. See the *Montreal Gazette*, December 3, 1884, for the contents of this lengthy resolution.
7. Lansdowne to Derby, Quebec, June 5, 1884, *Colonial Office Records*, Series C.O. 42/777, Canada, original correspondence, Public Record Office, London. Hereafter cited as C.O. 42.



8. *Ibid.* Lansdowne to Derby, Cascapedia, Quebec, July 8, 1884.
9. *Ibid.*
10. Tupper to Macdonald, London, July 8, 1884, *Macdonald Papers*. Vol. CCLXXII, Public Archives of Canada (P.A.C.), Ottawa. Hereafter cited as *Macdonald Papers*.
11. Tupper to Macdonald, London, September 11, 1884, *Macdonald Papers*. Vol. CCLXXII. For details of Galt's negotiations with Spain see R.A. Shields, "The Spanish-Canadian Treaty Negotiations 1878-1883," *The Bulletin of the Institute of Historical Research*, Vol. LIII, November, 1978, pp. 161-173.
12. Granville to Morier, April 1882, *Parliamentary Paper of the United Kingdom*. H.C. [C. 3880], 1884, LXXXVII, "Correspondence Respecting Commercial Relations Between Great Britain and Spain," p. 567.
13. Fitzmaurice to Herbert, July 26, 1884, C.O. 42/779. Herbert served from 1871 to 1892 as permanent Under-Secretary to the Colonial Office.
14. Kennedy to Sanderson, August 22, 1884, *Granville Papers*. Series PRO/30/29/120, Letters received and drafts of letters written by Earl Granville, Memoranda, Confidential Prints, cabinet reports, Public Record Office, London.
15. Minutes of August 15, 1884, C.O. 42/779.
16. Tupper to Macdonald, London, January 8, 1885, *Macdonald Papers*, Vol. CCLXXXIII. In a marginal comment to this letter Macdonald observed: "If New Treaty extends to Spanish Antilles I think it well to have Canada inserted."
17. Tupper to Charles Hibbert Tupper, London, December 18, 1884, *Tupper Papers*. Vol. V.
18. *Parliamentary Papers of the United Kingdom*. H.C. [C4839], 1886, Vol. LXXIII, "Correspondence Respecting the Negotiation of the Commercial Convention with Spain of April 26, 1886," p. 4.
19. Tupper to Herbert, copy, London, July 17, 1885, C.O. 42/782.
20. Macdonald to Tupper, Private & Confidential, Toronto, December 20, 1886, *Tupper Papers*. Vol. VI.
21. Tupper to Ford, telegram, London, November 16, 1888, *Foreign Office Records*. Series F.O. 72/1818, Spain, original correspondence, Public Record Office, London. Hereafter cited as F.O.72.
22. *Ibid.* Ford to Tupper, telegram, Madrid, November 16, 1888.
23. *Ibid.* Ford to Foreign Office, cypher telegram, Confidential, November 18, 1888.
24. *Ibid.* Minutes of November 19, 1888.
25. *Ibid.* Minutes of November 19, 1888.
26. *Ibid.* Minutes of November 19, 1888.
27. *Ibid.* Ford to Foreign Office, Madrid, November 20, 1888.
28. Tupper to Herbert, Confidential, London, January 1, 1889, C.O.42/801.
29. Ford to Foreign Office, Madrid, December 11, 1888, F.O.72/1818. Italics the author's.
30. Tupper to Herbert, London, January 1, 1889, C.O.42/801.
31. *Ibid.* See minutes by E.B. Pennell [Chief Clerk of the North American & Australian Department] and Lord Knutsford [Colonial Secretary], of January 2 and 4, respectively.
32. Tupper to Charles Hibbert Tupper, London, December 18, 1888, *Tupper Papers*. Vol. IX.
33. At the time of Tupper's proposed negotiations in Madrid, Sir Clare Ford had enjoyed a diplomatic career of close to forty years. Initially serving as an unpaid attache to Naples (1852), Munich (1855) and Paris (1856), Ford was subsequently paid attache to Lisbon, Brussels, Stuttgart, Karlsruhe and Vienna. Following these appointments he was Secretary to the Legation at Buenos Aires, Copenhagen, and Washington and while in the American capital also acted as charge d'affaires. Appointed Minister to Madrid in 1884, he was elevated to the rank of ambassador in that centre in 1887.
34. Minutes of January 5, 1889, F.O.72/1855.
35. *Ibid.*
36. See editorial entitled "The West Indian Trade," *The Monetary Times and Trade Review* (Toronto), June 3, 1888.
37. Tupper to Herbert, February 12, 1889, C.O.42/801.
38. See Tupper to Herbert, copy, London, August 8, 1891, F.O.72/1896.
39. *Ibid.* Minutes of August 13, 1891.
40. Minutes of September 7, 1891, C.O.42/890. At this point Anderson was a first class clerk in the North American Department and would shortly be appointed a private secretary to Sir Robert Henry Meade who succeeded Sir Robert Herbert in 1892 as permanent Under-Secretary.

41. Galt to Gladstone, Confidential, Montreal, February 26, 1891, *Galt Papers*, Vol. IV, Public Archives of Canada (P.A.C.), Ottawa.
42. Tupper to Charles Hibbert Tupper, London, August 25, 1891, *Charles Hibbert Tupper Papers*, Vol. I, Public Archives of Canada (P.A.C.), Ottawa.
43. Canada, *Debates*, Commons, August 8, 1891, II, cols. 4008-4016.
44. Abbott to Tupper, Ottawa, September 19, 1891, *Tupper Papers*, Vol. X. Following John A. Macdonald's death in 1891, Sir John Abbott was appointed Prime Minister on June 16, 1891.
45. Ford to Foreign Office, Confidential, Madrid, October 26, 1891, F.O.72/1886.
46. *Ibid.* Ford to Foreign Office, Madrid, November 10, 1891.
47. See Tupper's letter of February 10, 1892 enclosed in Colonial Office to Foreign Office, February 16, 1892, F.O.72/1918.
48. *Ibid.*, undated minutes.
49. See Tupper's letter of March 14, 1892 enclosed in Colonial Office to Foreign Office, March 19, 1892, F.O.72/1919.
50. *Ibid.* See Tupper's letter of April 1, 1892, enclosed in Colonial Office to Foreign Office, April 2, 1892.
51. Wolff to Foreign Office, Madrid, April 13, 1892, F.O.72/1905.
52. Canada, *Debates*, Commons, May 2, 1892, I, cols. 1957-1958.
53. See Tupper's letter of May 28, 1892, enclosed in Colonial Office to Foreign Office, May 30, 1892, F.O.72/1920.
54. *Ibid.* Minutes of June 1, 1892.
55. *Ibid.* Minutes of June 2, 1892.
56. Wolff to the Foreign Office, Madrid, July 24, 1892, F.O.72/1907.
57. Wolff to the Foreign Office, Madrid, June 1, 1894, F.O.72/1972.
58. *Ibid.* Wolff to Foreign Office, Madrid, June 5, 1894.
59. *Ibid.* Minutes of June 5, 1894.
60. *Ibid.*
61. *Ibid.* Italics the author's.
62. For the details of the agreement concluded by Tupper in 1892 and ultimately ratified by the Canadian parliament in 1895, see R.A. Shields, "Sir Charles Tupper and the Franco-Canadian Treaty of 1895: A Study of Imperial Relations," *Canadian Historical Review*, Vol. XLIX, No. 1, March, 1968, pp. 1-23.
63. Minutes by John Bramston, June 29, 1894, C.O.42/827. At this period Bramston was an Assistant Under-Secretary in the Colonial Office.
64. Regarding the United Kingdom's export trade it is interesting to note that in 1886 British exports to Spain and the Spanish Antilles amounted to £3,108,636 and £1,740,043, respectively. By 1890 these figures had increased to £4,999,705 and £1,876,756, respectively. See *Parliamentary Papers of the United Kingdom*, H.C. [C.6342], 1890-1891, Vol. LXXXII, "Total Value of the Import and Export Trade of the United Kingdom," p. 1.
65. Minutes of June 11 & 18, 1894, F.O.72/1972.
66. *Ibid.* Wolff to Foreign Office, Madrid, cypher telegram, June 25, 1894.
67. *Ibid.* Minutes by Bergne, June 26, 1894.
68. See Boyle's memorandum, Confidential, August 10, 1894, F.O.72/1973.
69. *Ibid.* See Giffen's memorandum, Confidential, August 8, 1894. Italics the author's.
70. For complete details of Ripon's circular and the policies behind it see R.A. Shields, "Imperial Policy and the Ripon Circular of 1895," *Canadian Historical Review*, XLVII, No. 2, June, 1966, pp. 119-136.
71. Thompson to Hugh Graham, Ottawa, September 8, 1894, *Sir John Thompson Papers*, Letter Book 47, Public Archives of Canada (P.A.C.), Ottawa.
72. For examples of London's latitude to Canada regarding these early twentieth-century negotiations see R.A. Shields, "Imperial Policy and Canadian-American Reciprocity 1909-1911," *The Journal of Imperial and Commonwealth History*, No. 2, January, 1977, Vol. V, pp. 151-172 & "The Canadian Tariff and the Franco-Canadian Treaty Negotiations 1907-1909: A Study in Imperial Relations," *The Dalhousie Review*, Summer Issue, No. 2, 1977, Vol. LVII, pp. 300-321.