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RICHARD N. KOTTMAN

WITH scholarly inquiry no longer retarded by the passions once surrounding the Great Depression and the inaccessibility of sources, historians today are asking new questions and offering new answers to older questions about Herbert Hoover the President, Depression politics, and the administration's response to contemporary economic and social problems.[1] To this growing bibliography belong studies of previously neglected topics that are necessary to an overall assessment of the Hoover presidency. Relations between the United States and Canada, perhaps the most neglected chapter in American diplomacy, 1929-1933, is such a topic.[2] What was the depth of the President's knowledge or concern about Canadian interests, attitudes, or peculiarities? What was his role in the decision-making process? Did the administration pursue a course deserving the appellation "good neighbor"? What forces shaped the policies adopted by the governments? Answers to these questions say something about Hoover's per-

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[1] Jordan A. Schwarz, *The Interregnum of Despair: Hoover, Congress, and the Depression* (Urbana, 1970); Gene Smith, *The Shattered Dream: Herbert Hoover and the Great Depression* (New York, 1970); Joan Hoff Wilson, *American Business & Foreign Policy 1920-1933* (Lexington, 1971); Joan Hoff Wilson, *Herbert Hoover: Forgotten Progressive* (Boston, 1975); Donald J. Lisio, *The President and Protest: Hoover, Conspiracy and the Bonus Riot* (Columbia, 1974); Martin L. Fausold and George T. Mazuzan, eds., *The Hoover Presidency: A Reappraisal* (Albany, 1974); Craig Lloyd, *Aggressive Introvert: A Study of Herbert Hoover and Public Relations Management, 1921-1932* (Columbus, 1972); J. Richard Snyder, "Hoover and the Hawley-Smoot Tariff: A View of Executive Leadership," *Annals of Iowa*, 41 (Winter 1973), 173-89.

[2] Neither Robert H. Ferrell nor L. Ethan Ellis mentions this subject. Robert H. Ferrell, *American Diplomacy in the Great Depression: Hoover-Stimson Foreign Policy, 1929-1933* (New Haven, 1957); L. Ethan Ellis, *Republican Foreign Policy, 1921-1933* (New Brunswick, 1968). See also Richard N. Kottman, "Volstead Violated: Prohibition as a Factor in Canadian-American Relations," *Canadian Historical Review*, XLIII (June 1962), 106-26; Richard N. Kottman, "Hoover and Canada: Diplomatic Appointments," *Canadian Historical Review*, LI (Sept. 1970), 292-309; Richard N. Kottman, "The Hoover-Bennett Meeting of 1931: Mismanaged Summitry," *Annals of Iowa*, 42 (Winter 1974), 205-21.

formance as President, particularly his leadership, his flexibility in the face of opposition, priorities of and the division of responsibility within his administration, the way in which policy was formulated, and, as few topics do, the impact of the Depression on American diplomacy. Since it was the development with the most profound repercussions, the Smoot-Hawley Tariff Act of 1930 provides the framework within which to examine this facet of the Hoover administration.

Remembering the adjustments necessitated by American tariff legislation in the early 1920s, Canadians were shocked when in 1928 Republican presidential nominee Hoover endorsed higher schedules on agricultural imports to alleviate the depressed condition of the nation's farmers. This threatened a market which during fiscal year 1927 had consumed Canadian commodities valued at nearly $500,000,000.[3]

With the government seemingly well entrenched in January 1929, Liberal Prime Minister William Lyon Mackenzie King confidently awaited the impending parliamentary session, anxious only about the implications of Hoover's endorsement of tariff revision.[4] If Congress enacted tariff legislation favoring agricultural interests, anti-American feeling would certainly follow. The Liberal government, which had hoped that its own low tariff posture would inspire similar treatment from the United States, would have to answer charges that over the years it had been excessively conciliatory to an ungrateful neighbor. In the absence of any "real issues" dividing the parties at the time, the only chance for the Conservatives to gain power would be to exploit this public sentiment.

During the 1920s Canadian nationalism—with its sensibilities and pride—had become a discernible force. Regardless of political affiliation, Canadians would not accept docilely significant increases in American duties on important dominion products. Many believed that the American economy, dependent on foreign supplies of raw materials as well as on export markets, could be hurt if a nation chose to restrict either or both. As the election of 1911 testifies, Tories were capable of waging a campaign with strident anti-American overtones. Already King feared that

[3] Hugh Ll. Keenleyside and Gerald S. Brown, *Canada and tht United States: Some Aspects of Their Historical Relations* (New York, 1952), 276-86; William Phillips to Secretary of State, No. 778, Dec. 14, 1928, File No. 611.423/138, Records of the Department of State, RG 59 (National Archives). For campaign statements on the tariff, see Herbert Hoover, *The New Day: Campaign Speeches of Herbert Hoover 1928* (Stanford, 1928), 20, 70-71, 101-02, 126-39, 188, 191-94. For the importance of the American market to Canadian exporters, see U.S. Department of Commerce, *Commerce Yearbook, 1928*. Vol. II: *Foreign Countries* (Washington, 1928), 121-23.

[4] William Lyon Mackenzie King to Lord Beaverbrook, Jan. 12, 1929, MG 26, J1, vol. 191, William Lyon Mackenzie King Papers (Public Archives of Canada, Ottawa); Mackenzie King to John G. Foster, Jan. 12, 1929, vol. 194, *ibid.*

remarks in parliament by Conservative leader R. B. Bennett implying Washington's bad faith in promoting the antiwar treaty portended a similar campaign should Congress raise tariffs. He knew the consequences if the Conservatives were to win: retaliation against American goods; the probable death of St. Lawrence seaway negotiations, for which the Department of State had been pressing since 1919; and the frustration of his personal ambition to be the linchpin between the British Commonwealth and the United States.[5]

Although encouraged by Secretary of State Frank B. Kellogg to attend the national nominating conventions in 1928, Vincent Massey, the Canadian minister in the United States, remained in Washington, not satisfied that the prime minister wanted him in either convention city.[6] King followed the presidential campaign closely, especially the tariff issue. A few days after the election, the Washington correspondent of the Toronto *Globe* wrote him that with the Republican party in firm governmental control, likely to face no effective opposition in Congress and supported by an overwhelming majority of the nation's newspapers and periodical press, tariff legislation was inevitable.[7]

In mid-November King alarmed William Phillips, the American minister in Ottawa, with his private comments about the impact on Canadian-American relations if Congress were to enact Hoover's tariff pledge. Joint

[5] Mackenzie King to Phillips, Feb. 12, 1929, vol. 166, *ibid.*; Phillips to Secretary of State, No. 778, Dec. 14, 1928, 611.423/138, Records of the Department of State; memorandum of conversation between Mackenzie King and Phillips, Feb. 26, 1929, in Phillips to Secretary of State, No. 913, March 27, 1929, 711.42157 Sa 29/582, *ibid.*; memorandum (copy) Box 1-E/235, Herbert Hoover Papers (Herbert Hoover Library, West Branch, Iowa); Mayer to Secretary of State, No. 879, March 2, 1929, 711.42157 Sa 29/571, Records of the Department of State. See also *House of Commons Debates*, I, 26-27, 36-37 (Feb. 11, 1929).

[6] When Vincent Massey requested permission to attend the conventions, O. D. Skelton, undersecretary of state for external affairs, told him the visits might be misunderstood in Canada and cause political embarrassment to the government. The decision was left to him, however. Massey decided against going to either convention thinking that this was Mackenzie King's preference. The prime minister immediately had Skelton wire Massey that he "meant just what he said about leaving the matter to your judgment and that he sees no objection to your going . . . if you desire. . . ." These "ambiguous communications" failed to satisfy the minister, and he remained in Washington. Memorandum, Skelton to Mackenzie King, June 8, 1928, MG 26, J4, vol. 117, King Papers; Massey to Mackenzie King, June 4, 7, and 12, 1928, MG 26, J1, vol. 155, *ibid.*; Skelton to Massey, telegram, June 15, 1928, *ibid.*; Vincent Massey, *What's Past is Prologue: the Memoirs of the Right Honourable Vincent Massey* (Toronto, 1963), 158.

[7] Tom King to Mackenzie King, Nov. 12, 1928, MG 26, J1, vol. 195, King Papers. By early February, he foresaw disastrous changes in the American tariff. A split in Republican ranks was the only hope, as the "divided and disheartened" Democrats would "scarcely function as a parliamentary opposition in the coming session of Congress." He labeled Hoover, moreover, a "rampant protectionist." Tom King to Mackenzie King, Feb. 3, 1929, *ibid.*

development of the St. Lawrence River—the topic Phillips had come to discuss with the prime minister—would be difficult if not impossible, King warned, and higher duties on American imports and improved preferences in Canada for members of the Commonwealth would be a certainty. Despite the repugnance with which King viewed protection, politically he had no choice. Yet King could not guarantee that retaliation would save his government.[8]

In Washington, Massey said essentially the same thing to the retiring secretary of state. In reply Kellogg refused to see Hoover as "a believer in extravagant protection," but he conceded that the campaign "commitments would undoubtedly be a factor" influencing Hoover's actions. He agreed with Massey, too, that the demand for increased protection had "gained such momentum that it would be difficult for even the moderating influence of the President, were he so disposed, to stem the tide." Kellogg, who especially feared for the seaway, promised to do what he could during his last days in office to avert the blow, inviting Ottawa to forward a written statement outlining its arguments which he could distribute to "appropriate persons."[9]

The King government, though apprehensive, filed no protest, reasoning that any formal communication ought to be sent to the new administration, and then only after Congress had acted. The Ways and Means Committee of the House of Representatives was then conducting public hearings on the tariff. To protest prematurely might either incur the wrath of Americans resentful of foreign intervention or convince many that Congress was heading in the right direction.[10] Because of the uncertainty surrounding tariff policy in Washington, moreover, the cabinet decided not to include token tariff increases in the 1929 budget. King even deferred parliamentary debate on the budget.[11]

The outlook for Canadian-American relations on the eve of the inauguration, then, was blurred. Whether Canadian uneasiness developed into something worse depended on the way in which Congress and the President disposed of the tariff question.

[8] Phillips to Frank B. Kellogg, Nov. 19, 1928, 711.42157 Sa 29/543, Records of the Department of State; memorandum, United States minister in Canada by Mackenzie King, Nov. 17, 1928, MG 26, J4, vol. 132, King Papers.

[9] Massey to Secretary of State for External Affairs, No. 317, Feb. 8, 1929, MG 26, J1, vol. 165, King Papers.

[10] Memorandum, Skelton to Mackenzie King, Feb. 12, 1929, MG 26, J4, vol. 165, *ibid.*; U.S. Congress, House of Representatives, Committee on Ways and Means, *Tariff Readjustment—1929: Hearings Before the Committee on Ways and Means*, 70 Cong., 2 Sess. (Washington, 1929).

[11] Phillips to Secretary of State, No. 824, Jan. 24, 1929, 624.003/377, Records of the Department of State; Clark to Amery, No. 68, March 6, 1929, FO 414/263, British Foreign Office Records (Public Record Office, London).

As secretary of commerce, Hoover had been informed of the amount and identity of American goods sold in the dominion, America's chief competitors, protectionist trends in Canada, and the possibilities of free trade.[12] Canada figured prominently in his trade expansion plans. Under the direction of Dr. Julius Klein, the Bureau of Foreign and Domestic Commerce had been transformed into a vigorous agency actively and imaginatively seeking markets for American exporters.[13] In pursuit of its goal the bureau had established offices in every major Canadian city where trained observers systematically collected trade data that became the basis for the reports on commercial conditions in Canada which the Department of Commerce published weekly for the benefit of those businessmen interested in such opportunities.[14] Hoover hoped the United States could export large quantities of industrial commodities to Canada, for if the United States were to "maintain the total value of our exports and consequently our buying power for imports, it must be by steady pushing of our manufactured goods."[15] Klein was so proud of the bureau's well-organized structure that he boasted of its operation to a Canadian newspaperman. Subsequent publication of the details disturbed officials in the American legation, worried that Klein's disclosures would impede the work of the commercial attaché by providing further evidence to those Canadians who felt their national identity threatened by American commercial imperialism.[16]

Hoover never doubted that the United States could concurrently protect its own industries against competition and expand sales in Canada. Theories to the contrary, total American imports had increased significantly after passage of the Fordney-McCumber Act.[17] "In considering the broad future of our trade," he wrote in 1926, "we can dismiss the fear that an increased tariff would so diminish our total imports as to destroy the abil-

[12] Memorandum, Domeratzky to Hoover, April 28, 1924, March 10, 1925, H. P. Stokes to J. Hohn, June 10, 1924, Hohn to Stokes June 10, 1924, Box 1-I/47, Hoover Papers.

[13] Herbert Hoover, *The Memoirs of Herbert Hoover* (3 vols., New York, 1952), II, 79-80.

[14] Ottawa *Citizen*, Sept. 26, 1928; Joseph Brandes, *Herbert Hoover and Economic Diplomacy: Department of Commerce Policy 1921-1928* (Fittsburgh, 1962), 3-21.

[15] Herbert Hoover, *The Future of Our Foreign Trade* (Washington, 1926), 3.

[16] Ottawa *Citizen*, Sept. 26, 1928; Mayer to William R. Castle, Jr., Sept. 26, 1928, Box 2, William R. Castle, Jr., Papers (Herbert Hoover Library, West Branch, Iowa); Castle to Mayer, Oct. 2, 1928, *ibid.*; Castle to George Akerson, Oct. 2, 1928, *ibid.* Lynn Meekins, commercial attaché in Ottawa, was particularly "perturbed" and had Mayer, the American chargé, bring the piece to the state department's attention "in as solemn a manner as possible, in the hope that it might be able to do something to curb the Department of Commerce."

[17] Hoover, *New Day*, 128-33. See also Wilson, *American Business & Foreign Policy*, 87-91.

ity of other nations to buy from us."[18] In a campaign speech in 1928 he exclaimed, "there is no practical force in the contention that we cannot have a protective tariff and a growing foreign trade. We have both today."[19] Canadian tariffs, moreover, far from retarding American economic growth, had encouraged direct investments from the United States and the establishment of branch plants by American firms.[20]

Hoover's disposition to diminish the importance of the tariff and emphasize the significance of the St. Lawrence seaway to Canadian-American relations suggests an insensitivity to the dominion's economic priorities. While a later explanation for his resignation as minister to Canada might be questioned, Phillips never forgave Hoover for this "apparent indifference."[21] Hoover was reminded frequently that the American tariff, not a waterway, was the principal concern of Canadians. In January 1928, King had formally challenged Washington's view that the benefits of a seaway would accrue in equal measure to the two countries. He emphasized that the American tariff structure, not a shortage of transportation facilities, was the problem facing the Canadian farmer. With no countervailing enthusiasm in Canada to offset the indifference or the outright opposition to the expenditure of $300,000,000 on the proposed enterprise, he proceeded with the greatest caution.[22]

Henry L. Stimson, the new secretary of state, gave the Canadians scant support. As secretary of war in 1911 he had favored a low tariff while advising President William Howard Taft on his reciprocal tariff program. His first public assignment had been to endorse the Taft-Fielding agreement.[23] A few months later he had watched as Canadian voters, reacting to a "flag-waving" campaign against reciprocity by the Conservatives, turned a Liberal government out of office.[24] In 1929, to Stimson's "great relief," the tariff issue "did not fall within the jurisdiction of the State

[18] Hoover, *Future of Our Foreign Trade*, 11-12.

[19] Hoover, *New Day*, 136.

[20] Memorandum, Domeratzky to Hoover, April 28, 1924, Box 1-I/47, Hoover Papers.

[21] "The Reminiscences of William Phillips," 95, Columbia Oral History Collection (Columbia University); William Phillips, *Ventures in Diplomacy* (Boston, 1952), 144-47; Phillips to Hoover, Sept. 10, 1930, Box 1-E/235, Hoover Papers; Frederick H. Gillett to Hoover, July 23, 1929, Box 862, *ibid.*; Gillett to Hoover, July 27, 1929, *ibid.*; Hoover to Gillett, July 25, 1929, *ibid.* See also Andrew Rossell Pearson and Robert S. Allen, *Washington Merry-Go-Round* (New York, 1931), 149.

[22] *Papers Relating to the Foreign Relations of the United States 1928* (3 vols., Washington, 1943), II, 64-71. See also William R. Willoughby, *The St. Lawrence Waterway: A Study in Politics and Diplomacy* (Madison, 1961), 84-132.

[23] Stimson to Hoover, Nov. 26, 1935, PPIF, Hoover Papers; Henry L. Stimson and McGeorge Bundy, *On Active Service in Peace and War* (New York, 1947), 44.

[24] W. M. Baker, "A Case Study of Anti-Americanism in English-Speaking Canada: The Election Campaign of 1911," *Canadian Historical Review*, LI (Dec. 1970), 426-49.

Department." Remembering Taft's experience of 1909, he had shuddered upon learning that during the campaign Hoover had promised to revise the tariff. Revision, however, was a settled decision when Stimson arrived in the capital from the Philippines, and he kept out of it. He doubted anyway that he would have had any influence on the pro-tariff men in the cabinet. In fact, the cabinet never debated the issue. Stimson's primary responsibilities were disarmament and Senator William E. Borah, whose favor he was to court.[25]

King at first hoped that Hoover might be influenced in the direction of the Canadian point of view. In this endeavor, he enlisted the aid of the American minister in Canada, the Canadian high commissioner in London, personal emissaries, and at least one American newspaperman. Hard realities awaited them. Hoover firmly believed that tariffs on farm imports represented an essential element in the solution of the nation's "most urgent" domestic problem. "An adequate tariff," he declared in his acceptance speech, "is the foundation of farm relief."[26] His public commitment to increased protection also helped to ease Hoover past a political impediment. He offered it as an alternative to McNary-Haugen legislation, which he had fought since 1924. Farmers, heretofore suspicious of the former food administrator and secretary of commerce, rose to the bait. They now expected performance from the man who had promised to use his "office and influence" to accord them "the full benefit of our historic tariff policy."[27] In lieu of Canadian initiatives on the St. Lawrence seaway, Hoover saw no choice but to fulfill this pledge.

Phillips first encountered these realities while in Washington for the inauguration. He had been so moved by King's arguments that he felt compelled to discuss the dangers of a tariff increase with the president-elect. On March 3 he apprised Hoover of the economic and political situation in Canada and the probable effect of higher American duties. Hoover, however, merely suggested that Phillips meet with members of the Ways and Means Committee, which he did. If certain items faced more difficult entry into the United States, Phillips warned, Canada would exclude American exports with tariff walls of its own. The congressmen replied that they "were not really interested" in his problem "because they were not con-

[25] Stimson and Bundy, *On Active Service*, 162; "Reminiscences of Henry L. Stimson," 1-2, 4, Columbia Oral History Collection.

[26] Hoover, *New Day*, 20; William Starr Myers, comp. and ed., *The State Papers and Other Public Writings of Herbert Hoover* (2 vols., New York, 1934), I, 32.

[27] For a perceptive analysis of the emergence of the tariff issue in this election, see memorandum by Sir John Broderick enclosed in Sir Esme Howard, British ambassador in Washington, to Austen Chamberlain, No. 484, March 8, 1929, FO 414/263, Foreign Office Records.

cerned with American exports, but only with the prevention of imports. . . ."[28]

During the committee hearings, no important voice was raised in opposition to the tariff demands of agriculture, proof for Massey that "there is no fear at the Capitol that the proposed increases will seriously impede the growth of United States trade."[29] Congressman Willis Hawley later told foreign critics of American tariffs "that we alone have a right to say what shall happen in this market and the conditions on which outsiders may enter in trade."[30] His colleagues dismissed any suggestion that Canada, already experiencing a $300,000,000 trade deficit with the United States, might construe a tariff increase as "an unfriendly act." They shared Hoover's view that expenditures by American tourists more than offset that deficit.[31]

Efforts by the Canadian high commissioner in London, Peter Larkin, were equally unproductive. When he relayed King's views to United States Ambassador Alanson B. Houghton, he received little encouragement. Houghton agreed to forward a copy of King's statement to Washington, but Larkin inferred from the ambassador's comments that the administration had already decided to restrict the entry of Canadian agricultural commodities.[32]

Sir Henry Thornton, president of the Canadian National Railways, became King's personal spokesman at the White House. King perhaps shared the opinions of a Canadian correspondent in Washington and expected Hoover to make "every decision of major importance in domestic or foreign affairs . . . off his own bat."[33] On March 15, Thornton told Hoover that if American tariff legislation upset the status quo, the Dominion would retaliate. Such provocation would delay indefinitely the St. Lawrence waterway project, just when prospects for progress were good, and prevent the prime minister from "acting as a sort of liaison between England and the United States." In reply the President acknowledged

[28] Memorandum, Mackenzie King and Phillips, Feb. 26, 1929, Box 1-E/235, Hoover Papers. For correspondence dealing with his appointment with the president-elect, see Phillips to Akerson, Feb. 13, 1929, Box I-H/118, *ibid.*; Akerson to Phillips, Feb. 18, 1929, *ibid.* See also, Phillips, *Ventures in Diplomacy*, 146-47; and "Reminiscences of William Phillips," 94-95, Columbia Oral History Collection.

[29] Massey to Secretary of State for External Affairs, No. 372, Feb. 15, 1929, MG 26, J1, vol. 165, King Papers.

[30] *Ibid.*; Washington *Evening Star*, May 1, 1929.

[31] Massey to Secretary of State for External Affairs, No. 372, Feb. 15, 1929, MG 26, J1, vol. 165, King Papers; Hoover, *New Day*, 134-35.

[32] Mackenzie King to Larkin, Feb. 5, 1929, MG 26, J1, vol. 196, King Papers; Larkin to Mackenzie King, Feb. 18, 1929, *ibid.*; Mackenzie King to Larkin, Feb. 27, 1929, *ibid.*; Larkin to Mackenzie King, Feb. 28, 1929, *ibid.*

[33] Tom King to Mackenzie King, March 13, 1929, vol. 195, *ibid.*

King's political problem, but cited the pressure on himself to satisfy the demands for protection from farmers. Hoover "allowed" Thornton "to infer that he would do everything he could to prevent any measures . . . which would provoke" retaliation in Canada.[34]

Two weeks later the President surprised Massey and James Malcolm, the minister of trade and commerce, then in Washington, when he asked for Canada's response to the inclusion in the tariff act of a clause exempting the Dominion from the new agricultural schedules provided Ottawa gave assurances that "within a given time" it would proceed with the St. Lawrence project.

Apparently the Canadian government had not anticipated Hoover's initiative, even though King had linked the two issues. Had Canada been more powerful vis-à-vis the United States, a quid pro quo might have been feasible. The disparity, however, produced a sensitiveness about being coerced by the republican neighbor, an idiosyncrasy Massey understood. If Hoover's proposal were accepted, he predicted to King, it "would be interpreted in Canada as an [American] effort . . . to force us into active cooperation on the St. Lawrence plan . . . and would lead to a serious revulsion of feeling against the United States." In Hoover's presence, however, he said nothing, requesting a few days before giving an answer.[35]

Within forty-eight hours several newspapers reported "authoritatively" that tariff levels on agricultural products in the new legislation would likely be determined by Canadian willingness to proceed with the seaway. The administration stated its case through these journalists. For eight years the Canadians had procrastinated. Whenever Washington had proposed action, the King government had found some excuse for delay. The United States could play this game no longer. Farm relief, either through lower freight rates or less foreign competition, was imperative. Farmers might benefit sufficiently from the completed waterway that the tariff need not be increased materially. Were Canada to give the assurance that a waterway treaty would soon be negotiated and ratified, American officials had made clear, prevailing tariff levels would probably continue.[36]

There is little doubt, as Massey informed King, that the inspiration for the articles came from "the Executive Offices."[37] Whatever Hoover's rationale—a heavy-handed attempt to force the Canadian government to

[34] Memorandum, Henry Thornton to Mackenzie King, March 16, 1929, vol. 169, *ibid.*

[35] Massey to Mackenzie King, April 3, 1929, vol. 165, *ibid.*

[36] Theodore Joslin in the Boston *Evening Transcript*, April 2, 1929, and G. Gould Lincoln in the Washington *Evening Star*, April 3, 1929, wrote nearly identical stories. See also *Journal of Commerce*, April 3, 1929, for a similar account by Clarence L. Linz.

[37] Massey to Secretary of State for External Affairs, No. 850, April 6, 1929, MG 26, J1, vol. 165, King Papers.

proceed with the waterway[38] or a sincere, if naïve, effort to reconcile related issues—Ottawa could not accept such a bargain. To do so would only complicate both questions. They could not be divorced, King admitted: "whatever is done . . . [regarding one] may have some effect on the solution of the other." If Congress imposed additional trade barriers, Canadians probably would not agree to a seaway pact. From the American standpoint, the prospect of improved navigational facilities to lighten financial burdens on farmers might be "an effective alternative" to higher tariffs. The suggested bargain, however, was politically explosive. To accept "would imply that the construction of the St. Lawrence waterway was not advantageous to Canada itself." Even to propose it "would be interpreted as a threat or bargaining lever . . . [by Washington] to force Canada into a policy which it would not otherwise accept." The seaway when completed, moreover, would be a permanent undertaking; any American tariff restraint was ephemeral, an inequity opponents would never let pass. King instructed Massey to reject Hoover's proposal.[39]

On April 5 the Ottawa *Journal*, joined by the English-language newspapers in Montreal, the *Gazette* and the *Daily Star*, construed the alleged overture in the most negative terms. The Vancouver *Sun*, an independent-Liberal publication, declared that if Malcolm had agreed to such a bargain, "it is a bargain unworthy of his ability and unworthy of the dignity of the Canadian people."[40] Embarrassing statements in the House of Commons, punctuated by one Conservative's observation that no government official had yet denied the press reports, forced King's hand. On April 9 he disavowed the stories, thereby forfeiting his chance to negotiate informally with the waterway. He could "conceive of no greater misfortune" than the merging of the two questions, he told parliament. Each must be "dealt with separately on its merits."[41]

Massey explained King's political concern to Stimson. The argument that Ottawa was "being dragooned by threats" to proceed with the seaway could be telling. Stimson sympathized, recalling 1911 when reciprocity "had been rejected by Canada . . . on the unfounded fear that the United States was putting something over on Canada." His remarks persuaded the Canadian that Hoover apparently had "given up any hope of a final [St. Lawrence] agreement . . . for a long time, if ever. He seems to feel

[38] The headline of Joslin's article read, "May Hit Back at Canada by Raising Tariff." Boston *Evening Transcript*, April 2, 1929.

[39] Mackenzie King to Massey, April 6, 1929, MG 26, Jl, vol. 165, King Papers.

[40] Ottawa *Journal*, April 5, 1929; Montreal *Gazette*, April 5, 1929; Montreal *Daily Star*, April 4, 1929; Vancouver *Sun*, April 5, 1929.

[41] *House of Commons Debates*, II, 1406-07 (April 9, 1929).

that the Canadian attitude . . . is such as to postpone it indefinitely." Since Massey had gotten this same impression from the President himself, he tried to disabuse Stimson of it, talking optimistically about progress in Canada.[42] If Massey's reading of Hoover was correct, Ottawa's rejection of a seaway-tariff "deal" made increased protection more necessary.[43]

American journalists David Lawrence and Edward Price Bell also pressed the President to acknowledge the volatile elements in Canada. Bell, who had just seen King in Ottawa, forwarded to Hoover an authorized version of their conversation, another attempt by the prime minister to win Hoover's confidence and avert a "tariff war." Bell himself had discerned political trends in Canada, impressions he developed in the Chicago *Daily News*.[44] Willis J. Abbot, editor of the *Christian Science Monitor*, sent Lawrence Richey, the most influential of Hoover's secretaries, copies of letters he had received from Charles A. Bowman, editor of the Ottawa *Citizen*, and Harry Southam, owner of the *Citizen*. Bowman thought a tariff increase would "furnish the protectionist element [in Canada] . . . with a new rallying cry against closer relations with . . . [America]," and "solidify opposition" to any seaway treaty. The negative effect, moreover, could well "extend beyond the confines of the Dominion." Southam, too, focused on the seaway, finding comfort in the greater urgency in the United States for the improvement than in Canada, a factor that might make Congress more conciliatory toward Canadian exporters.[45] *Literary Digest* reported the "Tariff Panic along the Canadian Border," while Drew Pearson, writing in the *Nation*, attacked "High Tariff Diplomacy," assigning a prominent role to the Dominion.[46]

Hoover, then, was never ignorant of national feeling in Canada. Throughout the tariff debate, he received information from the American

[42] Memorandum, Canadian Minister and Secretary of State, April 10, 1929, 711.42157 Sa 29/588 1/2, Records of the Department of State; Massey to Mackenzie King, April 11, 1929, MG 26, J1, vol. 165, King Papers. On April 12 Massey underscored for Stimson "the danger of leaks." Memorandum, Canadian Minister and Secretary of State, 711.42157 Sa 29/594, Records of the Department of State.

[43] For a report that Hoover had been advised that there was no hope for the negotiation of a seaway treaty in the near future, see Arthur Crawford in the Chicago *Tribune*, April 8, 1929.

[44] David Lawrence to Hoover, March 12, 1929, Box 854, Hoover Papers; memorandum, Edward Price Bell to Hoover, March 21, 1929, *ibid.*; Bell to Akerson, March 20, 1929, *ibid.*; Chicago *Daily News*, March 20, 1929. H. Blair Neatby, *William Lyon Mackenzie King: 1924-1932 The Lonely Heights* (Toronto, 1963), 284.

[45] Charles A. Bowman to Willis J. Abbot, April 2, 1929, Harry Southam to Abbot, April 2, 1929, both enclosed in Abbot to Lawrence Richey, April 4, 1929, Box 854, Hoover Papers.

[46] *Literary Digest*, CI (April 27, 1929), 15-16; *Nation*, CXXVIII (Feb. 27, 1929), 250-51.

legation. Although concerned about these trends, he felt that Dominion intransigence on the seaway limited his options.[47] Richey, Hoover's "confidential agent, the major domo of his private affairs, his solacing friend, and his comforting adviser," replied to Abbot that Canadians had overlooked one salient fact: the support given the waterway concept for nearly twenty years by American farmers. Frustrated by Canada's inertia, "they have turned to the only other direction in which they can have relief—that is, the tariff."[48]

The seaway obviously was the controlling factor with Hoover. What Hanford MacNider, then American minister in Canada, wrote of Hoover in May 1931—"[the waterway] is one of his pet projects . . . his whole attitude toward Canadian affairs hinges upon it"—was no less true in 1929.[49] For political reasons King refused to appoint commissioners to join American representatives in resolving the outstanding issues—the engineering plan, items to be included in the financial accounting, and the priority of construction. For similar reasons Hoover felt that he could not weaken the tariff proposals without something tangible on the seaway from Canada. King could not give that commitment so long as the tariff might be raised.

While members of parliament debated the proper policy for the government in light of possible adverse tariff modifications by Congress—Conservatives proposing higher duties to protect Dominion producers and King defending a posture of restraint—Hoover provided few clues as to the future.[50] Hoover's reference to the tariff in his inaugural address was ambiguous, and at his press conferences he studiedly avoided any discussion of the subject.[51] His message of April 16 to a special session of Congress, called in part to effect "limited changes in the tariff," added little. He spoke positively about "an effective tariff" on agricultural commodities, one that would equalize foreign and domestic costs of production, but he never became specific.[52]

[47] *Journal of Commerce*, April 3, 1929; New York *Times*, May 30, 1929.

[48] Richey to Abbot, April 8, 1929, Box 854, Hoover Papers; Pearson and Allen, *Washington Merry-Go-Round*, 308. "Mr. Richey is in the very core and marrow of Mr. Hoover's activities, and has been for twelve years." Washington *News*, May 5, 1929.

[49] Hanford MacNider to William Herridge, May 9, 1931, Hanford MacNider Papers (Herbert Hoover Library, West Branch, Iowa).

[50] *House of Commons Debates*, I, 755-58 (March 7, 1929), I, 791-93 (March 8, 1929), II, 1403-04 (April 9, 1929).

[51] Myers, ed., *State Papers and Other Public Writings of Herbert Hoover*, I, 11; press conference of March 15, 1929, 1-G/379, Press Conferences of Herbert Clark Hoover, Hoover Papers.

[52] Myers, ed., *State Papers and Other Public Writings of Herbert Hoover*, I, 31-37.

Canadian newspaper editors invariably read into this message their own hopes. The Toronto *Globe* stated that the President would "do everything in his power to discourage Congress from enacting drastic tariff increases whose chief effect would be to arouse resentment in Canada."[53] The Montreal *Daily Star* thought it "absolutely clear" that Hoover would "oppose any general revision of the tariff."[54] The Ottawa *Citizen* doubted that Dominion farmers had much to fear.[55] Conservative publications contrasted King's "wait and see" policy with Hoover's forthright alternative.[56] The Toronto *Mail and Empire* found wisdom in the President's defense of protection that Canada ought to emulate, an observation similar to that of the Ottawa *Journal*.[57]

In early May, the Ways and Means Committee submitted its tariff bill to the House of Representatives. Although the committee had strayed far from Hoover's guidelines, to the relief of many Canadian Liberals it had not drastically raised agricultural schedules. The principal exporters affected would be dairy and lumber interests. Among the items left untouched were cattle, potatoes, hides, and leather.[58] Reaction in Canada was restrained, with only the Ottawa *Journal* and the Toronto *Mail and Empire* dealing in invective.[59] The Toronto *Globe* saw no justification for "blind retaliation," but urged Canadians to deepen imperial trade channels and to "build a prosperity which need never be shaken by the little tariff tempests that emanate" from Capitol Hill.[60] There seemed to be a feeling that Hoover would "hold the line" against tariff extremists. The New York *Times* lent encouragement by reporting the President's unhappiness with the proposed duties on lumber and shingles. A Canadian press dispatch had Hoover dissatisfied with the bill, fearing Canadian annoyance and consequent restriction on the entry of American goods into the Dominion. The Ottawa *Citizen* editorially attributed the moderation in the schedules to Hoover's personal intervention. "On the evidence available," the editorial concluded, "there appear to be reliable grounds for warranting the conclusion that . . . President Hoover proved a good friend of

[53] Toronto *Globe*, April 17, 1929.
[54] Montreal *Daily Star*, April 17, 1929.
[55] Ottawa *Citizen*, April 17, 1929.
[56] See, for example, Montreal *Gazette*, April 17, 1929.
[57] Toronto *Mail and Empire*, April 17, 1929; Ottawa *Journal*, April 17, 1929.
[58] *Commercial and Financial Chronicle*, CXXVIII (May 11, 1929), 3090-92.
[59] For example, the Toronto *Mail and Empire* entitled editorials, "Tariff Rates for the Strafing of Canada" and "Applying the Club to Canada Again." Toronto *Mail and Empire*, May 8, 9, 1929. The editor of the Ottawa *Journal* wanted the Mackenzie King government to respond "with action prompt and suitable." Ottawa *Journal*, May 9, 1929.
[60] Toronto *Globe*, May 9, 1929.

Canada's."[61] The Montreal *Daily Star* noted perceptively, however, that the real test of Hoover's mettle lay ahead when vested interests through their Republican spokesmen would intensify their campaigns to raise rates. Restraining them would be difficult.[62]

King and his colleagues were pleasantly surprised by the committee measure, crediting the "administration at Washington" for keeping the schedules affecting Canada reasonable. He particularly welcomed the predicament in which it placed the Conservatives. Their demand that parliament remain in session to retaliate the moment Congress passed a tariff bill had lost much of its appeal. If the lumber items were restored to the free list, the Tories would have no issue on which to base an anti-American campaign. They would resume their direct attacks on the United States, predicted Phillips, should the House substantially alter the pending legislation.[63]

The relative quiescence was not to last. On May 28 the House of Representatives guaranteed that anti-tariff sentiment in Canada would be national, and not just regional, by enacting higher duties on cattle, potatoes, and butter, restoring the tariff on logs, and transferring hides and many leather goods from the free to the dutiable list.[64] As interpreted by a shaken Phillips, Canadians were disappointed and uncertain but determined nevertheless to find other markets and to expand the imperial preference system. Conservatives would be the principal beneficiaries if Canadians increasingly thought commercially in east-west, and not north-south, terms. Tories stood ready to plead this case, but as a "well-known Canadian" privately told Phillips, Washington was supplying the real impetus behind Canada's gravitating toward the empire.[65]

Hoover was not the man to arrest such trends. The Hawley bill already reflected what he had not wanted, general tariff revision with benefits to manufacturing interests rather than new schedules only for selected agricultural imports and the competitors of depressed industries. He did not consider the proposed schedules on agricultural items to be excessive, in-

[61] New York *Times*, May 13, 1929; Washington *Evening Star*, May 13, 1929; Ottawa *Citizen*, May 15, 1929.

[62] Montreal *Daily Star*, May 8, 1929; *Literary Digest*, CI (May 25, 1929), 13-14.

[63] Phillips to Secretary of State, No. 995, May 15, 1929, 611.003/1530, Records of the Department of State; Stimson to Hoover, May 25, 1929, Box 862, Hoover Papers; Phillips to Secretary of State, No. 1002, May 18, 1929, 611.003/1541, Records of the Department of State.

[64] New York *Times*, May 25, 29, 1929; *Cong. Record*, 71 Cong., 1 Sess., 2106 (May 28, 1929).

[65] Phillips to Secretary of State, No. 1020, June 5, 1929, 611.003/1584, Records of the Department of State; Phillips to Stimson, May 31, 1929, enclosed in Stimson to Hoover, June 6, 1929, Box 862, Hoover Papers.

sisting rather on such increases.[66] The Department of Commerce provided the President with "possible answers to Canadian complaints," while admitting that the United States could justifiably restore the levels on fresh milk and cream, cattle, and lumber if necessary, and acknowledging that the Dominion, if it chose to change its valuation procedures, could seriously injure American sales.[67]

The prospects for an amicable settlement dimmed. To prevent the House rates from being raised in the Senate, where in 1929 agricultural representatives were especially powerful, would require a greater willingness to intervene in the legislative process than Hoover had yet demonstrated. Moreover, there was little public support for a low tariff, and congressmen, sensitive to domestic pressure groups, dismissed the possibility or the impact of reprisals.[68] In the circumstances King could only repeat earlier warnings. On June 5, Massey informed Stimson that the amended measure had greatly upset his countrymen. Anti-American opinion in Canada, he admonished, constituted "a very serious situation which would necessarily affect all governmental relations between the two countries."[69]

Despite a disingenuous public disclaimer that Canada had protested the proposed schedules,[70] Stimson employed the arguments of both Massey and Phillips when talking with Senator Borah, an advocate of higher duties on farm goods. King could live with the original proposals, he advised, but the amendments were inviting "serious repercussions," not the least of which would be a politically stronger opposition. Should the Conservatives come to power—and Stimson considered it probable—Ottawa would be governed by men disinclined to cooperate with the United States and committed to restrictive legislation. In his opinion, the advantage of limited protection to selected producers was not worth jeopardizing the seaway and a lucrative export trade. He reminded Borah that injustice to "our own products" could be corrected by the Tariff Commission. When it had recommended rate increases in the past, Canadians had remained calm. They resented, however, present tariff reform efforts.[71]

[66] Hoover, *Memoirs*, II, 293.

[67] Memorandum, July 18, 1929, 1-E/238, Hoover Papers.

[68] T. A. Shone for the British Ambassador to Chamberlain, No. 1047, May 31, 1929, MG 26, J1, vol. 191, King Papers.

[69] Memorandum, Canadian Minister and Secretary of State, June 5, 1929, 611.003/1564, Records of the Department of State.

[70] New York *Times*, July 13, 14, 1929. For elaboration, see "Official Lying," *Nation*, CXXIX (Aug. 14, 1929), 159-60. Unlike twenty-five other nations, Canada had not officially protested.

[71] Stimson Diary, June 22, 1929, vol. 10, Henry L. Stimson Papers (Sterling Memorial Library, Yale University).

A principal issue in the Senate was the inclusion in the bill of the clause empowering the President to adjust schedules on the basis of recommendations from a reorganized and bipartisan Tariff Commission, a provision earnestly sought by Hoover and vehemently opposed by Borah. Hoover felt so strongly about the flexible tariff that he threatened to veto the legislation unless that power were granted to him.[72] It was his answer to the dilemma that increased protection, while desirable, meant resentment—and possibly retaliation—abroad. The tariff law would appease producers, but with the executive empowered to raise or lower rates, duties could be adjusted, and foreign resentments healed, if the Tariff Commission found specific congressional levels to be excessive. When Congress undertook to set thousands of schedules, exorbitant rates on some items were inevitable. He invited foreign governments to bring their complaints to the Tariff Commission, which would judge their validity. Hume Wrong, the Canadian chargé d'affaires in Washington, expressed doubts that "some of the worst features of the Tariff Bill" would be corrected "through the machinery of the flexible provisions," though "Mr. Hoover, I think, sincerely believes that this can be done."[73]

Hoover's plan fared badly in Canada. Public opinion, it became apparent, would not allow Ottawa the luxury of deferring a response until the Tariff Commission had demonstrated its effectiveness. In June 1929, first in a major speech in parliament and then in addresses throughout Ontario, Bennett unfurled his party's election banner. The proposed American tariff legislation, a "menace to our economic life," presented Canada with a "crisis," to which the government was not responding. Canada was being mortgaged to its neighbor because of the unfavorable balance of trade. The continuation in power of the King government, with its commitments to low tariffs and to economic ties with the United States, together with Washington's new rates, would further accentuate Canadian dependence on the American economy and denude the country of its raw materials. Ultimately native industries would be destroyed leaving the Canadian consumer at the mercy of a foreign monopoly. The Dominion might then lose its political independence as well. The corrective, Bennett said, was a "national policy," particularly tariff protection for Canadian

[72] Hoover, *Memoirs*, II, 295-96; Wilson, *American Business & Foreign Policy*, 65-100.

[73] Myers, ed., *State Papers and Other Public Writings of Herbert Hoover*, I, 102-04; Hume Wrong to Secretary of State for External Affairs, No. 1706, Sept. 3, 1930, MG 26, J1, vol. 270, King Papers. Sir Ronald Lindsay, British ambassador in Washington, agreed that the commission concept was the means by which Hoover hoped "to take the edge off criticism of the tariff at home and abroad." Lindsay to Henderson, No. 80, Oct. 30, 1930, FO 371/14280, Foreign Office Records.

manufacturers and farmers, and a prosperity less dependent on trade with the United States. The Conservative leader renewed a promise, made originally in February, that if he became prime minister he would summon an imperial economic conference to explore these possibilities.[74]

The Liberals had to defend their low tariff tradition and convince Canadians the government was alive to the dangers posed by developments in the United States and would act accordingly. Initially cabinet members Malcolm, William D. Euler, and James A. Robb assumed this responsibility.[75] Robb excited attention when he allegedly hinted at the likelihood of an imperial trade conference. His subsequent denial that Ottawa had proposed a conference for the revision of tariffs did not dampen the growing enthusiasm for expanded imperial trade.[76] As early as November 1928, King had decided that if Congress raised duties Canada must enlarge its markets within the empire, especially in Great Britain. By June, as Congress moved a step closer to its goal, the King government was studying ways to foster imperial trade. Appropriately, it requested a report of the Advisory Board on Tariffs showing those imports from America which were expendable because they could be produced in Canada in sufficient quantities to satisfy Dominion needs. Meanwhile, King encouraged the editor of the Toronto *Globe* to continue with his editorials backing greater empire trade.[77]

The concept was attracting supporters among Liberals as well as Conservatives. Many Liberals disagreed with King's policy and preferred to see some spectacular anti-American action taken. The prime minister acknowledged that in time these dissidents might swell the ranks of the Conservatives.[78] They had already shown political strength in recent elections in normally Liberal Saskatchewan. American tariff proposals had played no important role there, but King could hardly ignore the fact that speakers, the press, and local governments in the prairies were urging some form of retaliation and criticizing Ottawa for its inaction. Phillips predicted, therefore, that King would act before Congress completed work on the

[74] *House of Commons Debates*, III, 3534-48 (June 11, 1929); Toronto *Globe*, June 17, 19, 22, 1929; "Mr. Bennett's Speech," *Canadian Forum*, IX (Aug. 1929), 371-73.

[75] Toronto *Globe*, June 20, 1929; Phillips to Secretary of State, No. 1048, June 29, 1929, 711.42157 Sa 29/607, Records of the Department of State.

[76] Phillips to Secretary of State, No. 1050, June 27, 1929, 711.42157 Sa 29/606, *ibid.*; *Times of London* (Eng.), June 26, 1929.

[77] Neatby, *King: The Lonely Heights*, 286; Phillips to Secretary of State, No. 1050, June 27, 1929, 711.42157 Sa 29/606, Records of the Department of State; Mackenzie King to W. G. Jaffray, July 25, 1929, MG 26, J1, vol. 195, King Papers.

[78] Mackenzie King to Larkin, July 12, 1929, MG 26, J1, vol. 196, King Papers.

tariff.[79]

Despite pressure from Liberal leaders, including members of his own cabinet, King remained silent. Phillips described him as showing "a remarkable degree of patience and good will" in light of his "being tempted, not only by the Opposition, but by leaders in his own party," to issue some " 'strong statement' indicating his displeasure at the proposed tariff policy of the United States."[80] King was also reluctant to speak out because he believed that Bennett was doing his cause more harm than good and that he was "being sized up as one who is fond of hearing himself talk, but who talks . . . 'very small politics.' "[81] King gambled that Congress would not pass any legislation until late in the year. Moreover, he trusted Hoover. He had been told that some "well-informed men" in Washington—including Willmott Lewis of the *Times of London* and Mark Sullivan, close friend of Hoover and a "mouthpiece" for the administration in the pages of the New York *Herald-Tribune*—doubted that the tariff bill would ever become law. King confessed: "I can not get it out of my mind that Hoover is waiting to see if we will not meet his wishes in some part on the St. Lawrence [seaway] and if he saw that this were a probability, he would maneuver somehow to relieve us of a tariff embarrassment." But a Canadian journalist warned King that Hoover would not attempt to influence tariff legislation. Prevailing agricultural conditions and the political strength of farm organizations militated against such intercession.[82]

King finally embraced the concept of an imperial economic conference. By late July he had confided to his diary that "an Economic Conference in Canada in 1930 wd take the public mind completely or rather partially off of the tariff issue so far as the U.S. is concerned & wd give us material for election campaign after it was over if, election that year." On August 8, he proposed a conference to the British government, which accepted the invitation to convene a general economic conference in Ottawa.[83]

[79] Phillips to Secretary of State, No. 1050, June 27, 1929, 711.42157 Sa 29/606, Records of the Department of State; "The Elections in Saskatchewan," *Canadian Forum*, IX (Aug. 1929), 374-76; Phillips to Secretary of State, No. 1065, July 10, 1929, 611.003/1710, Records of the Department of State; Stimson to Hoover (copy), July 22, 1929, *ibid.*

[80] Phillips to Secretary of State, No. 1067, July 12, 1929, 611.003/1724, Records of the Department of State; Phillips to Secretary of State, No. 1070, July 16, 1929, 611.003/1748, *ibid.*

[81] Mackenzie King to Hewitt Bostock, Aug. 22, 1929, MG 26, J1, vol. 191, King Papers.

[82] Tom King to Mackenzie King, Aug. 30, 1929, vol. 195, *ibid.*; Mackenzie King to Tom King, Sept. 3, 1929, *ibid.*; Tom King to Mackenzie King, Sept. 10, 1929, *ibid.* See also *Times of London* (Eng.), Nov. 11, 1929; Washington *Sunday Star*, Nov. 10, 1929.

[83] Neatby, *King: The Lonely Heights*, 320; Alex I. Inglis, ed., *Documents on Canadian External Relations: 1926-1930* (Ottawa, 1971), 213-17.

King kept this secret as he followed the tariff proceedings in Washington. Congress had recessed on June 20 for nearly two months. During that interlude the Senate Finance Committee had conducted hearings and in August, when the upper chamber reassembled, had presented its version of tariff reform. In September senators began debating the specific schedules. Hoover's supporters found themselves frustrated not only by Old Guard Republicans who sought higher duties for industry but also by a progressive Republican-Democrat coalition which transferred the "elastic" powers from the President to Congress, added an export debenture provision, and voted more protection to agriculture and less to industry. Hoover responded with an appeal to the Senate to finish work on the tariff in two weeks. For the moment, the coalition had become sufficiently strong to prevent passage of any measure.[84]

On November 1, King ended his public silence. At Winnipeg, in a speech launching a month-long political tour of the West, he attacked the intemperate rhetoric and tariff proposals of the Conservatives and expressed hope that an imperial economic conference, preferably in Canada, would soon be held. Meanwhile Canadians should cooperate to find new markets within the empire to replace any that might be lost elsewhere and to divert to the empire purchases from any country that penalized Canadian trade. King then spoke directly to Washington. Congress could legislate as it pleased, he admitted, but if the tariff were so altered as to affect significantly any Canadian interests, the United States must concede Canada's right to legislate accordingly.[85]

King's meaning was clearly no idle threat. The chairman of the Advisory Board on Tariffs had confidentially informed the American legation's commercial attaché of Canadian plans to raise tariffs on fruit, vegetables, and iron and steel products to stimulate the importation of these items from countries other than the United States. The Department of Commerce accepted these revised schedules as "retaliation." The Canadian official had singled out the contemplated duties on dairy products as having "embarrassed" Ottawa "more than anything else which we have done

[84] "The Tariff Wrangle Just Beginning," *Literary Digest*, CII (Aug. 31, 1929), 9; "New Blocs That Block the New Tariff," *ibid.*, CIII (Oct. 5, 1929), 10-11; Mark Sullivan, "West and South Now Rule," Washington *Sunday Star*, Nov. 3, 1929; New York *Times*, Nov. 2, 1929; Washington *Sunday Star*, Oct. 27, 1929; Washington *Evening Star*, Oct. 31, 1929; New York *Times*, Nov. 2, 1929. Tom King to Mackenzie King, Oct. 2, 1929, MG 26, J1, vol. 195, King Papers; Hoover, *Memoirs*, II, 294. For a classic indictment of Hoover's leadership, see Paul Y. Anderson, "Hoover's Washington," *Nation*, CXXIX (Dec. 4, 1929), 660-61.

[85] Toronto *Globe*, Nov. 2, 1929; Phillips to Secretary of State, telegram, Nov. 2, 1929, 611.003/1913, Records of the Department of State.

along tariff lines."[86] In mid-December King, realizing the political vulnerability of moving only after the United States had raised its tariff, wrote of anticipating American action by increasing "duties vs. the U.S. in a manner which will divert trade to Britain & lower some duties on goods coming from Britain, leaving changes in tariff due to U.S. changes till after the U.S. legislates."[87]

When the compromise efforts of a group of young Republicans in the Senate failed,[88] and Congress adjourned on November 22 with no tariff legislation on its record, King's cautious policy seemed vindicated. Although he detected "strong feeling" against the United States in the West, King concluded his political tour satisfied with the results. "It is an immense relief to have the series of meetings over, & so successfully over," he recorded, "that they have done good & answered Bennett's summer tour pretty effectively I think there is little doubt."[89] The British high commissioner found him "almost jubilant at the success of his political strategy."[90] Massey happily reported a "growing apathy" toward the tariff measure and, thinking the deadlock that had prevented its passage during the special session would continue, he predicted that "unless something very unexpected happens . . . there will be no tariff legislation passed by the present Congress."[91]

Fortune, however, soon deserted King. When debate on the tariff resumed, the legislation which had seemed unlikely in November appeared inevitable. On January 8, Massey, recalling his earlier prediction, advised King of markedly changed conditions, resulting from the October collapse of the stock market. In January 1930, the Depression was not yet of major magnitude, but Massey detected fears and "uneasiness" that were important enough to spur congressmen to finish work on the tariff. According to Massey, they were "unwilling . . . to incur the charge of failing to pass a tariff measure which, in the opinion of many, was necessary even when business conditions were entirely normal." The Senate had addressed itself to the bill "in a much more workmanlike spirit" than before the recess. Massey expected the conference committee to have

[86] Phillips to Secretary of State, No. 1145, Sept. 25, 1929, 642.113/105, Records of the Department of State; Phillips to Secretary of State, No. 1178, Oct. 23, 1929, 642.113/108, *ibid.*; Meekins to Chalmers, Oct. 22, 1929, enclosed in memorandum, Chalmers to Hoover, Oct. 1929, Box 854, Hoover Papers.

[87] Neatby, *King: The Lonely Heights*, 320.

[88] "The 'Young Guard's' First Skirmish," *Literary Digest*, CIII (Nov. 30, 1929), 10.

[89] Neatby, *King: The Lonely Heights*, 289-97, especially 297.

[90] Clark to Secretary of State for Dominion Affairs, No. 236, Dec. 4, 1929, FO 414/265, Foreign Office Records.

[91] Massey to Mackenzie King, Nov. 5, 1929, MG 26, J1, vol. 166, King Papers.

the measure in its possession by the end of January and easily to reconcile divergent schedules. The anticipated difficulties over inclusion of the export debenture plan and the provision for flexibility would probably be overcome by "the desire to avoid deadlock" so that in March or April Hoover would receive for his signature a tariff bill raising considerably the schedules on imports from Canada.[92]

During the second session of the Seventy-first Congress, Hoover lost what little control over the rate-fixing process he once might have had. Strengthened by the appointment to the Senate of Joseph Grundy, president of the Pennsylvania Manufacturers Association, the Old Guard "sabotaged" Hoover's plans for only moderate increases on industrial products and, over his objections, loaded the measure "until it was plain murder."[93] The insurgents, who agreed with Hoover on the need for higher agricultural and greatly reduced industrial duties, fought him on export debentures. The battle over the flexible tariff was especially acrimonious. The Senate passed its tariff bill on March 24, adding to Canadian discomfiture by raising House levels on many agricultural items and taxing for the first time the principal species of softwood lumber.[94] The conference committee, impeded for a time by the Senate's refusal to allow its members to compromise on debentures and flexibility, and then by a belated rebellion in the House against certain proposed increases (shingles and logs were returned to the free list), did not complete its assignment until early June.[95] Yet, the Canadian minister had been essentially correct. The Depression, even though in its incipient stages, provided the impetus for tariff revision that in 1929 it had lacked.

In January, King expected tariff legislation "within the next month or two."[96] As part of his political strategy, he decided to hold the Canadian general election in 1930, a year earlier than he was constitutionally required to do. At first he had thought of coordinating the election with an imperial conference scheduled for 1931, hoping that voters would prefer to have the Liberals represent them in London. By late 1929, with King committed to the revision of Dominion tariffs before passage of legislation in Congress, an earlier election had merit. By mid-February 1930, perhaps

[92] Massey to Mackenzie King, Jan. 8, 1930, vol. 178, *ibid.*

[93] Oral History interview with Robert S. Allen, Nov. 11, 1966, p. 6, Hoover Papers.

[94] New York *Times*, March 23, 1930.

[95] *Time*, XV (May 12, 1930), 17-18; *ibid.*, XV (May 26, 1930), 15; Washington *Evening Star*, May 20, 1930; *Cong. Record*, 71 Cong., 2 Sess., 8238-39 (May 2, 1930), 9116-38 (May 19, 1930).

[96] Mackenzie King to Sir John Martin-Harvey, Jan. 8, 1930, MG 26, J1, vol. 178, King Papers.

because the imperial conference had been rescheduled for September 1930, he had dismissed lingering doubts about an election later that year.

King confided his intention only to Ernest Lapointe, minister of justice, and Charles Dunning, who had replaced Robb as minister of finance at the latter's death. He "told Dunning to get a real budget in readiness," a budget that would be drafted with an eye on an impending election.[97] King remained silent when Bennett, with the reconvening of parliament in February, resumed his aggressive plea for greater protection to Canadian producers and challenged the government to take its record to the electorate before proceeding with the imperial conference.[98] In late March, King informed the cabinet of his plan "to get as much of our legislation (Bills) through before Easter vacation as possible," and then to "bring down a good budget & if held up on it ask for 2 months supply & go to the country without waiting for estimates to be passed." The effect in the prairies of depressed wheat prices did not shake his faith in the plan: "When our budget comes down almost all else will be forgotten save the Government's record"; Tory opposition to the budget, dissolution of parliament, and an election turning largely on that question would follow.[99]

On May 1, Dunning introduced a budget in the House of Commons that lowered rates on a long list of commodities (270) imported from imperial countries, reduced schedules on a moderate number of items (98) in the intermediate tariff—those countries enjoying most-favored-nation treatment—and increased duties on 87 (against decreases on 82) items in the general tariff, the column applicable to the United States. According to American legation estimates, the revisions penalized American trade totaling $175,000,000, the iron and steel industry along with fruit and vegetable farmers to be hurt the most.

The chief innovation in the budget, the part drafted particularly with the United States in mind, was the "countervailing duty." Affecting selected items, primarily agricultural products which Canada both exported and imported, the rate structure provided that if a given country imposed higher duties on those commodities than enumerated in the Canadian schedule, the Ottawa government would raise its rates to equivalent levels. Only the most obtuse could misconstrue the purpose of this scheme. The budget, Dunning declared, was "frankly framed to enable us to buy more freely from those countries which buy from us most freely those com-

[97] Neatby, *King: The Lonely Heights*, 320-22; Inglis, ed., *Documents on Canadian External Relations . . . 1926-1930*, pp. 218-20.

[98] *House of Commons Debates*, I, 27-28 (Feb. 24, 1930).

[99] Neatby, *King: The Lonely Heights*, 323.

modities which are of vital importance to us." Although he denied that Canada was engaging in a tariff war or was moved by a "spirit of retaliation," Dunning added that when a country impeded the entry of Dominion goods, it "must expect that we will extend favors to our own good customers rather than to them."[100]

At the conclusion of his speech, Dunning's Liberal colleagues applauded enthusiastically. Later they informally indicated strong support for an imminent election. The response warmed King. In early April he had written that diversion of trade from the United States to Great Britain "will be the cry & it will sweep the country I believe. We will take the flag once more out of Tory hands." Western opposition to an early election, however, had bothered him. On May 1 it was "apparent," he rejoiced, that his party would "welcome a fight forthwith. All opposition to an immediate appeal to the people has vanished. Our forces are as one."[101]

The new schedule became effective May 2, four days before the formal debate on the budget began. During that debate, which concluded on May 15 with its adoption, King announced his decision to hold an election that year. Later, it was fixed for July 28.[102] Although Dunning's proposals elicited various responses in the Dominion, ranging from outspoken approval to disappointment because of their limited nature, public opinion was united on one score: Canada was justified in taking action against American products. Whether the budget went sufficiently far was moot; the satisfaction in the decision to strike back was widespread.[103]

Canada had its American sympathizers. The New York *World* and the New York *Times* were extremely critical of Smoot-Hawley which, they contended, was responsible for parliament's behavior. Denying that increased duties on agricultural products would solve the farm problem, a New York *World* editorial saw the effort as serving principally "to inject an element of bitterness into our relations with a good neighbor and to drive her into close trade association with our keenest rival for international trade." The *Times* editorial noted the opposition to the measure of 1,028 economists who had warned of reprisals. "That our tariff policy would invite replies in kind from other nations," it continued, "has long been evident to all but our representatives in Washington." The retalia-

[100] Irving Linnell to Secretary of State, No. 625, May 2, 1930, 642.003/394, Records of the Department of State; *House of Commons Debates*, II, 1625-31 (May 1, 1930); "Mr. King's Platform," *Canadian Forum*, X (June 1930), 311-13.

[101] Neatby, *King: The Lonely Heights*, 324-25.

[102] *The Canadian Annual Review of Public Affairs, 1929-30* (Toronto, 1930), 34-42.

[103] Riggs to Secretary of State, No. 1405, May 5, 1930, 842.51/382, Records of the Department of State; No. 1413, May 13, 1930, 842.51/384, *ibid.*

tion by some countries might not greatly upset the American economy, it agreed, but "Canada is able to 'talk turkey' about the tariff in a way to force us to give heed."[104]

Newspaper editors who minimized the possibility of significant reprisals and who felt that the American government owed "it to the people to make whatever revision of the tariff seems most to their advantage, without consideration for the opinion of the others," were in a minority.[105] An opinion poll taken by the *North American Review* disclosed that a decisive majority of editors—75 percent—opposed passage of the bill.[106] Administration apologists overlooked that Canada had already retaliated with its own tariff modifications and its decision not to participate in the "Tariff Truce" proceedings in Geneva.[107] The question was whether retaliation would remain limited.

By June 14, Congress had adopted the final conference report, with its duties on softwood lumber, cattle and hides, potatoes, specified varieties of fish, maple sugar, leather, and numerous dairy products.[108] Despite the opposition of diplomats, economists, newspaper editors of all political persuasions, and leading figures of American business, despite the explosive political and economic realities in Canada, and despite the extreme protectionism incorporated in the bill—a complete contradiction of Hoover's concept of tariff revision—the President signed it into law on June 17, 1930. He undoubtedly was confident that the Tariff Commission would rectify the grossly unfair rates, but he also paid for his own political ineptitude. As a Farm Board official expressed it years later, "he had got himself boxed in." He had committed his energies to the exclusion from the measure of the export debenture scheme and the inclusion of the flexible tariff concept. Having persuaded congressmen to acquiesce in his wishes, he had no political reserve from which to draw to fight for lower duties.[109] Another contemporary, in retrospect, declared: "After all, Hoover had to live with the Republican party. You can't kick your party in the face persistently and he did it quite a bit as it was." The Smoot-Hawley Act was, this same observer noted, "a Republican deal from start

[104] New York *World*, May 13, 1930; New York *Times*, May 14, 1930.

[105] Washington *Evening Star*, May 6, 1930; *Literary Digest*, CV (May 24, 1930), 10.

[106] William O. Scroggs, "Revolt Against the Tariff," *North American Review*, CCXXX (July 1930), 18-24; Lindsay to Henderson, No. 1066, July 3, 1930, FO 414/266, Foreign Office Records. See also Wilson, *American Business & Foreign Policy*, 95-96.

[107] Riggs to Secretary of State, No. 1422, May 19, 1930, 611.4231/771/2, Records of the Department of State.

[108] New York *Times*, June 14, 15, 1930; *Cong. Record*, 71 Cong., 2 Sess., 10635 (June 13, 1930), 10789-90 (June 14, 1930).

[109] Oral History interview with Joseph S. Davis, Oct. 11, 1967, p. 20, Hoover Papers.

to finish."[110] Because Hoover could not accurately judge the legitimacy of more than a thousand rates, he assigned the rate structure a low priority. In its final form, then, the law contained a few features Hoover very much wanted, but many schedules, including presumably some on Canadian products, that he personally abhorred. To lay to rest this controversial matter that had called into question his leadership ability—and was undermining business confidence—the President signed the bill.

Hoover handed the Canadian Conservative party the final component necessary to win the national election. In addition to underestimating Bennett, King was hurt by the Depression, unemployment and his own callous comment on the subject, the lack of an efficient party organization, and Tory criticism of the Canada-New Zealand trade agreement.[111] By arousing nationalistic sentiments and contempt for the United States in Canada, however, the Smoot-Hawley Tariff provided a climate in which Bennett's ultra-protectionist rhetoric had greater appeal than the Dunning budget's endorsement of expanded imperial trade. "Canada voted not so much pro-Conservative as anti-Liberal," wrote Frank H. Simonds, "not alone on the issue of prosperity but also with the recent tariff legislation at Washington unmistakably in mind." The Vancouver *Star* believed that "the results of the polls testify in no small degree to Canadian resentment against the new American tariff." Grant Dexter and J. A. Stevenson, two respected journalists, exaggerated—but only slightly—when they termed the American tariff "the dominating issue" of the election.[112]

The new Canadian government erected additional barriers to American sales in the Dominion—higher tariffs, the more important and far-reaching arbitrary valuations system, and the Anglo-Canadian trade agreement of 1932.[113] Particularly annoying to Canadians was Hoover's repeated defense of a tariff law that did not represent his real wishes and ideals. In 1932 Hoover vetoed a bill designed to revise it, and in the campaign of 1932 he spoke favorably of even higher tariffs.[114]

[110] Oral History interview with Allen, Nov. 11, 1966, pp. 6-7, *ibid.* For partisan votes, see Wilson, *American Business & Foreign Policy*, 97.

[111] Neatby, *King: The Lonely Heights*, 327-42; Mackenzie King to W. A. Buchanan, Aug. 19, 1930, MG 26, J1, vol. 207, King papers; "Liberal Claims and Conservative Chances," *Canadian Forum*, X (July 1930), 351-52; "Nationalism Wins," *ibid.*, X (Sept. 1930), 431-32.

[112] Frank H. Simonds, "World Depression and Home Politics," *Review of Reviews*, LXXXII (Sept. 1930), 52; *Literary Digest*, CVI (Aug. 9, 1930), 13; Grant Dexter and J. A. Stevenson, "Canada's Tariff Reprisals Against America," *Current History*, XXXIV (May 1931), 208.

[113] Richard N. Kottman, *Reciprocity and the North Atlantic Triangle 1932-1938* (Ithaca, 1968), 14, 17-38.

[114] Myers, ed., *State Papers and Other Public Writings of Herbert Hoover*, II, 182.

In the context of Canadian-American relations, Hoover became President at a crucial time. Canadian nationalism was growing, and the Canadian economy was prospering. For months after his election Washington was warned that national feeling against the United States was mounting and that adherence to greater protection by the new administration portended trouble. Hoover himself was told what could be expected if Canadian imports were curtailed. Only a sensitive, flexible, and less self-assured man could have understood Canadian attitudes and the forces at work in the Dominion. Hoover had none of these qualities. Dogmatic in his belief that the United States could concurrently expand sales in Canada and accord protection to American farmers and lumbermen, he adopted the one tariff course that was certain to alienate Canadians, disrupt American markets, and assure a return to power by the Conservatives. Those who would have the Dominion jointly responsible for Hoover's inability to moderate tariff enthusiasts because of its refusal to proceed with the seaway must show that farmers, and their organizations, would have been content with only the promise of a future benefit. They also wanted the immediate reward, increases in the schedules on foreign competition. Legislative delegations from the Middle West were prepared to fight any trade of the tariff for Canadian cooperation on the waterway.[115] Had King gambled by appointing commissioners, Hoover would have had to display more political acumen than he ever exhibited during his presidency to thwart the ambitions of farm organizations and, at the same time, keep farmers voting Republican. In the final analysis, Hoover subscribed to protection's intrinsic worth, or he would have exploited the Agricultural Marketing Act and its creation, the Federal Farm Board, to mollify aggrieved farmers and vetoed the tariff revision. Had he taken this route, his waterway dream might have become a reality. He paid a high price for his decision—tariff retaliation and an unperfected seaway treaty.

Only the effective work in Ottawa of MacNider, the United States minister, prevented further deterioration in relations.[116] The Hoover administration is left with the stigma of the Smoot-Hawley Tariff. This legislation, reflecting in certain instances direct presidential intervention but in others—of utmost significance to Canadians—the absence of leadership and a presidential indifference to the economic requirements of the nation's best customer, aroused the animosity in Canada that underlay parliament's anti-American behavior.

[115] Ottawa *Citizen*, April 18, 1929.

[116] Kottman, "Hoover and Canada: Diplomatic Appointments," 303-09. See also Theodore Roosevelt, Jr., to MacNider, April 7, 1931, MacNider Papers.

Identification of Hoover with a "good neighbor" policy for the hemisphere must be confined to the area south of the Rio Grande. Relations between the United States and Canada improved after 1933, particularly after the Roosevelt administration included the Dominion within Cordell Hull's reciprocity program.[117] For this development Hoover deserves no credit. Revisionists of the Hoover administration, if they are to succeed in their efforts to portray Hoover as an unjustly maligned President, will have a difficult task to reconcile this "new Hoover" with the realities of Canadian-American relations, 1929-1933.

[117] Richard N. Kottman, "The Canadian-American Trade Agreement of 1935," *Journal of American History*, LII (Sept. 1965), 275-96.