

The American Political Science Review

Vol. XII

AUGUST, 1918

No. 3

THE CONFLICT OVER COÖRDINATION

JAMES MILLER LEAKE

Allegheny College

Any attempt impartially to analyze the issues involved in the controversy between President Wilson and Senator Chamberlain, which culminated in a victory for the former in the passage of the Overman bill, will meet with serious difficulties. An error, too common to much current journalism, and not entirely absent from the more technical and highly specialized articles when they deal with political subjects, is that of attributing a certain result to one factor when it is brought about by a plexus of causes. Most important political controversies, especially those of national import, involve numerous currents of cause and effect, which, to be understood clearly and appraised impartially, demand of the conscientious publicist careful consideration in their true relationship. Because the fight over coördination involved many prominent men, much diversity of opinion, issues both national and international, and—though indirectly—the question of universal military service, its treatment in an adequate manner is by no means easy.

What is meant by coördination? The noun is defined in the Century dictionary as “the act of arranging in due order or proper relation, or in a system; the state of being so ordered.” The verb “to coördinate” is defined: “to place, arrange, or set in

due order or proper relative position; bring into harmony or proper connection and arrangement." The meaning of coördination as applied to the problem of putting the executive machinery of the government on the best possible war footing is the making of necessary shifts or changes so as to produce the maximum of efficiency with the minimum of friction, while at the same time preserving as far as possible the spirit of republican institutions. For the executive departments and agencies of government properly to function, coördination is necessary. To function perfectly—and this no governmental machinery, executive, legislative, or judicial can ever do—there must be perfect coördination. The larger the problems of government, the greater the amount of business handled, the more abnormal the conditions under which the governmental machinery operates, the more difficult the matter of coördination becomes. The degree of smoothness with which the governmental machinery operates is measured by the amount of coördination between the executive, legislative and judicial branches. The degree of smoothness with which the executive branch of the government functions is measured by the amount of coördination of its various departments and agencies.

The entrance of the United States into the world war threw a heavy load upon the executive. Not only were the regular departments heavily burdened, but new agencies were created and new parts added to the executive machinery. To meet the strain thrown upon the regular executive departments by war conditions; to secure coöperation between the various executive agencies, new and old; to increase speed and efficiency without engendering unnecessary friction—these things called for executive coördination. What had happened in the executive branch of the government is analogous to what we see in a motor. When the cylinders are properly timed so that each fires in proper relationship to the others the motor runs smoothly and, all other things being equal, attains its maximum of efficiency. This we ordinarily speak of as "smoothness" in the motor's operation. The entrance of America into the war has affected our executive machinery very much as the climb up a long and steep

hill would affect a motor car. It has displayed weaknesses, lack of coördination, and friction, not so apparent under normal conditions, just as the stress of hill-climbing would indicate any slight imperfection or lack of smoothness in the motor not so apparent on a level road.

An organ for securing executive coöperation and coördination had indeed been provided in the council of national defense, created by the National Defense Act of 1916. Moreover this council, made up of the heads of executive departments, was clearly linked to the previously existing organs of government, although some important departments were omitted. But while much had been accomplished through the agencies of this council, the elaborate organization of boards and committees had not furnished the most efficient machinery; and the very number of these agencies had further complicated the problem of adjustment, not only between themselves but also between the new bodies and the older official authorities.

The importance of coördination had been already impressed on the administration and much work had been done along this line in a quiet and unobtrusive way before a series of violent attacks on the war department, and on Mr. Baker, the secretary of war, made coördination the subject of bitter controversy. The attacks did not create the movement for coördination. They did, however, serve to focus public attention upon the problem. Not whether there should be coördination of the various executive departments and agencies for greater efficiency in the conduct of the war, but the method by which such coördination could best be secured, became the important question. This question of method has been decided, the writer believes in the wisest possible manner, by the passage of the administration measure—the Overman bill. The conflict over this measure involved a battle royal between the administration and its critics and opponents. Should Congress give the President the blanket authority to coördinate or should it attempt to force on him a program other than his own?

It is only fair to Congress, and especially is this true of the house of representatives, to state what seems an easily demon-

strable fact, that by far the larger part of the sixty-fifth Congress has shown all along a determination to put patriotism above political partisanship. This is true both of Democrats and Republicans. In the main the opposition to the presidential plan for coördination has been negligible in the house, only two members voting against the Overman bill on its passage. The same is true of the senate, but to a lesser degree, for there the chief opposition to the Overman bill, most of the intemperate and ill-timed criticism of the President, and most of the exaggerated charges against the secretary of war and his department, originated and were aired. There, too, most of the support of the war cabinet bill was found. Yet it was in a relatively small group of senators that this opposition to the President and his plan of coördination centered; for when it came to a vote on the Overman bill only thirteen senators dared to vote against the measure.

If it be true that there was practically no debate as to the desirability of coördination; if the only important question was concerning the method by which the increased efficiency could be best obtained, why was it that the legislation so necessary to that end was delayed for months while senators, who professed to desire above all things a speeding up of the war, debated as between two methods of coördination, one possible and expedient, the other impossible and inexpedient? The answer to this question is difficult, for the opposition to the Overman bill, in the senate and outside, contained many elements, acting from various motives and viewing the problem from many different angles. The real question, then, is not so much one concerning the merits of the Overman and Chamberlain war cabinet bills, but an analysis of the opposition, to the end of finding out as far as possible who opposed the Overman bill and why.

As between the Overman and Chamberlain bills there should have been no great difficulty in choosing. Each attempted to attain greater efficiency through coördination; the Overman bill, by granting the President authority to reorganize the executive departments and agencies to secure coöperation and

eliminate friction; the Chamberlain bill, by granting those powers, which the Overman bill allows the President, to a war cabinet "of three distinguished citizens of demonstrated executive ability." The Overman bill made use of the President, a constitutional officer whose powers are marked out by the Constitution; the Chamberlain bill proposed a directory, a new and untried instrument of doubtful constitutionality. The war cabinet bill was complicated and the Overman bill simple; yet the great difference between them was the fact that the Overman bill, while granting no new constitutional powers to the President, gave him considerable latitude in the use of his constitutional authority; and the war cabinet proposal would have introduced into the executive an entirely new body, vested with extraordinary powers.

The Overman bill was entitled "A bill authorizing the President to coördinate and consolidate the executive bureaus, agencies, officers, and for other purposes, in the interest of economy and the more effective administration of the Government." It provided that, during the war, the President shall have power "to make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office or officer, in such manner as in his judgment shall seem best fitted to carry out the purposes of this act, and to this end is authorized to make such regulations and to issue such orders as he may deem necessary; provided, that this act shall remain in force during the continuance of the present war and for one year after the termination of the war."¹

The bill further provided that "in carrying out the purposes of this act the President is authorized, in such manner as he may deem most appropriate, to coördinate or consolidate any executive commissions, bureaus, agencies, offices or officers to transfer

¹ The only amendment accepted by the administration leaders, that proposed by Senator Jones of Washington, a supporter of the Overman bill, limits the effect of the reorganizations made under the bill to six months instead of one year after the war.

any duties or powers from one existing department to another, to transfer the personnel thereof or any part of it, either by detail or assignment, together with the whole or any part of the records and public property belonging thereto, and to employ by executive order any additional agency or agencies and to vest therein the performance of such functions as he may deem appropriate."

"That for the purpose of carrying out the provisions of this act, any moneys heretofore and hereafter appropriated for the use of any executive department, commission, bureau, agency, office or officer shall be available for the purposes for which it was appointed, under the direction of such other agency as may be directed by the President hereunder to perform and execute said function."

These were the main provisions of the Overman bill, as introduced into Congress with the approval of the administration.

After providing for the appointment "of three distinguished citizens of demonstrated executive ability," the war cabinet bill proposed to give them certain powers, among which the following seem to be the more important:

"To supervise, coördinate, direct and control the functions and activities of all executive departments, officials and agencies of the Government in so far as, in the judgment of the War Cabinet, it may be necessary or advisable so to do for the effectual conduct and vigorous prosecution of the existing war."

"To consider and determine upon its own motion or upon submission to it, subject to review by the President, all differences and questions relating to the conduct and prosecution of the war that may arise between any such departments, officials or agencies of the Government."

"To require information and utilize the services of any or all executive departments and executive officers or agents of the United States and of the several States and Territories and the District of Columbia whenever necessary or helpful in the proper performance of the duties of said War Cabinet."

"In the exercise of the jurisdiction and authority hereby conferred, to make, subject to the review by the President, the

necessary orders to any such department, bureau, official or agency of the Government and such decisions as the matters under consideration may require or warrant."

"That the Secretary of War and the Secretary of the Navy, respectively, shall assign to duty with the War Cabinet such commissioned officers as the War Cabinet may request, and said War Cabinet shall employ all clerical and other employees required for services with it, and in addition to the officers assigned thereto as herein provided, the President may appoint for duty with said War Cabinet such officers as the War Cabinet may determine to be necessary, who shall receive until otherwise prescribed by law such compensation as the War Cabinet shall deem just and reasonable."

In an analysis of the war cabinet bill, published in the *New York World*, Roger Foster has written as follows:

"But the War Cabinet Bill gives them [the war cabinet] powers which are still greater [than those granted the President in the Overman bill], more extraordinary and dangerous. It grants the War Cabinet the power to assign to such duty as it may determine any commissioned officers of the country. It may recall a General from France and substitute another. Such a power is one of the most ordinary and undisputable powers vested in the Commander in Chief of any army. To take it away from the President would be unconstitutional. The same bill authorizes the War Cabinet to command the officers of the different States, State Governors, and, if the language is not narrowed by judicial consideration, even State Judges. There is nothing in the Constitution authorizing such power to be given by Congress to any Federal officer, although the power of the President as Commander in Chief might in case of emergency include it."

"Finally, and this is the real object of stripping the President of his powers as Commander in Chief, the bill authorizes the War Cabinet to employ an unlimited number of clerical and other employees, to have assigned to service under such Cabinet any officers whom the War Cabinet may select, and the War Cabinet is authorized to pay them whatever compensation it may deem

just and reasonable. Coalitions and directories have always been convenient instruments for political corruption. Such a division of unlimited spoils among the henchmen of the three distinguished citizens of demonstrated executive ability whom it is sought to force into office may well incite the enthusiasm of Congressmen, but when the object is revealed it is not likely to be stomachied by the American people."

Certain it is that the war cabinet plan would have led into new and untried paths, and because of its doubtful constitutionality, it is impossible to see that it would simplify matters or make for increased executive efficiency. Even were it to do all that its advocates claimed for it, grave difficulties of interpretation and judicial construction would undoubtedly arise; and in the writer's opinion instead of simplifying matters it would open an endless field for partisan politics, friction, and misunderstanding. Instead of cutting red tape, chances for additional trouble would have been greatly increased by the passage of such an experiment.

Had there been no other objections to the war cabinet, however, the sincere and determined hostility of the President to any such proposal constituted an insurmountable obstacle. The impossible method of coördination, then, was embodied in the Chamberlain war cabinet proposal—impossible because from the outset Mr. Wilson declared himself as unalterably opposed to it. If such a "super cabinet" could have worked in any circumstances, a matter of extreme doubt, it could only have worked through the President. President Wilson did not want the war cabinet and he very frankly and firmly said so. Even if the measure could have mustered the necessary two-thirds vote in each house to pass it over the presidential veto—a thing it had not the slightest chance of doing—nothing could have forced the President to use the war cabinet or delegate to it any of his constitutional powers. The President is given certain definite powers by the Constitution; no war cabinet established by statute could exercise any executive powers belonging to him without his consent. A war cabinet "of three distinguished citizens of demonstrated ability" could function only through the President—could act only on his initiative.

The writer believes that this war cabinet proposal was really a "vicious and unconstitutional" measure, aimed at deposing the President from his constitutional position as "Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States." Many of the sponsors of this measure, or of the opponents of the Overman bill, or both, had shown themselves on more than one occasion as opposed to the President and his policies. Of the Democrats who opposed the presidential plan of coördination, several have been consistently anti-Wilson. Senator Chamberlain of Oregon, a Democrat from a Republican state, has been opposed to the Wilson policies or out of active sympathy with them during most of Mr. Wilson's years in the White House. Hitchcock of Nebraska, Reed of Missouri, Hardwick and Smith of Georgia, Underwood of Alabama, Gore of Oklahoma, and Vardaman of Mississippi have either deserted, or refused actively to support, the administration on a number of important occasions. Among the Republicans who supported the war cabinet proposal, or who voted against the Overman bill, or to amend it in such a way as to render it distasteful to the President, are those who have been most consistently, if not always most intelligently, opposed to the administration.

Even could its supporters have induced the President to accept the war cabinet bill, even should the Supreme Court have upheld its constitutionality, the measure, viewed in the light of history and experience, would have been of doubtful expediency. Our experience in the American Revolution impressed indelibly upon the minds of those who lived "during the days that tried men's souls" the futility of trying to wage war effectively without centralized executive power. The struggle for independence was all but lost because of no unified executive authority and the continual meddling of the Continental Congress with military operations. Washington and the other framers of our Constitution knew what they were doing when they wrote into that document the provision whereby in future wars the army and navy should be commanded, not by a war cabinet "of three

distinguished citizens of demonstrated executive ability," but by the President of the United States.

The reason why the federal Constitution contained such a provision was undoubtedly to prevent Congress from enacting such legislation as the Chamberlain war cabinet bill. Its framers took pains, if we can believe one of them, Alexander Hamilton, who had served in the Continental Army and knew something of the Conway Cabal and the bitter hours at Valley Forge, to make such a war council or super cabinet impossible under the Constitution. In the seventy-fourth paper of the *Federalist*, Hamilton explains very clearly the reason why the President was made Commander in Chief.² To Hamilton's testimony may be added the opinion of Justice Story, an eminent commentator on the Constitution. He emphasizes the importance of centralized executive authority in military matters, and points out conclusively the wisdom of vesting the command of the army and navy in the President of the United States.³ In

² "The President of the United States is the 'Commander-in-Chief of the Army and Navy of the United States and of the militia of the several States when called into the active service of the United States.' The propriety of this provision is so evident in itself and it is at the same time so consonant to the precedents of the State constitutions in general that little need be said to explain or enforce it. Even those of them which have in other respects coupled the Chief Magistrate with a council have for the most part concentrated the military authority in him alone. Of all the cares or concerns of government, the direction of war most peculiarly demands those qualities which distinguish the exercise of power by a single hand. The direction of war implies the direction of common strength, and the power of directing and employing the common strength forms a usual and essential part in the definition of the executive authority." *The Federalist*, Paper 74.

³ "Of all the cares and concerns of government, the direction of war most peculiarly demands those qualities which distinguish the exercise of power by a single hand. Unity of plan, promptitude, activity and decision are indispensable to success, and these can scarcely exist except when a single magistrate is entrusted exclusively with the power. Even the coupling of the authority of an executive council with him in the exercise of such powers enfeebles the system, divides the responsibility and not infrequently defeats every energetic measure. Timidity, indecision, obstinacy and pride of opinion must mingle in all such councils and infuse a torpor and sluggishness destructive of all military operations. Indeed, there would seem to be little reason to enforce the propriety of giving this power to the Executive Department (whatever may be its actual organization), since it is in exact coincidence with the provisions of

Ex parte Milligan, a leading case, the Supreme Court draws a most careful distinction between the congressional and presidential powers in military matters.⁴ There can be no doubt that guided by the experiences of the American Revolution, the framers of the Constitution provided that the command of the forces of the United States should be vested in a single executive.

Let us turn from the war cabinet and Overman bills and sketch as clearly as our space permits the events that led up to the passage of the latter. It seems reasonably certain that much of Senator Chamberlain's opposition to the President and his policies had its root in the refusal of President Wilson and Secretary of War Baker to take advantage of the excitement caused by our entrance into the war to establish universal military service as a permanent policy. Universal military service is a hobby of Senator Chamberlain. He believes in it earnestly and would like to see it adopted; but he was wrong in the method by which he wished to have it adopted. If the American people, considering the proposition on its merits, decide in favor of universal military service, well and good; but it would have been a great wrong to force such a measure on a people always opposed to militarism by taking advantage of war excitement. President Wilson and Secretary Baker, both far better interpreters of public opinion than Mr. Chamberlain, refused to use their influence for universal service and the Chamberlain plan failed.

Some time later the creation of a special war cabinet was proposed and a bill to that end was prepared by Senator Chamberlain. Just who was back of this proposal and why would be a difficult matter to determine. There are persons in the United States who know so little of the nature of parliamentary or cabinet government, who understand so dimly the workings of our own system, that, seeing the European nations turning to coalition cabinets, they thought the United States also should

our State constitutions, and therefore seems to be universally deemed safe if not vital to the system." Story, *Commentaries on the Constitution of the United States*, chapter xxxvii.

⁴ Ex parte Milligan, 4 Wall. 2; 18 L. ed. 281.

have a similar body. Coalition governments are usually sources of weakness as well as of strength; and the necessity for support by a parliamentary majority has forced the European countries to turn to them in crises not because they want them, but because they cannot do without them.⁵ Often in a war cabinet the elements of weakness almost, if not quite, outweigh the elements of strength. Especially is this true in dealing with matters of domestic policy.⁶ Some partisan Republicans wished a coalition, because they thought it impossible for the country to be honestly or efficiently governed by an administration wholly Democratic. Some of its advocates may have wished to humiliate the President by forcing on him a war cabinet which would divide with him his constitutional authority.

Almost immediately news came from the White House that any such measure would be obnoxious to the President, and Secretary Baker's open condemnation of the scheme apprised Senator Chamberlain and his supporters of the fact that their proposal had incurred pronounced executive disapproval. However, Senator Chamberlain continued in his advocacy of the war cabinet, and in an address before the National Security League in New York on January 19 he made sweeping charges against the executive department of the government. Indeed, it seems hard to understand how an experienced public speaker could have so far forgotten himself as to indulge in such patent exaggerations and gross misstatements. Urging the necessity of a war cabinet, Senator Chamberlain declared that "the military establishment of the country had broken down and had almost stopped functioning, because of inefficiency in every bureau and every department of the government." For this reason he proposed to introduce on the following Monday a bill for the creation of a war cabinet. President Wilson, after he had ascertained that Senator Chamberlain's New York speech had been correctly reported, issued a formal statement as follows:

⁵ The new British war cabinet of five members replaced, not a single executive, but an unwieldy body of twenty-three; and clearly involved supplanting the former prime minister.

⁶ The handling of the Irish question by the British cabinet offers ample illustration of the truth of this statement.

"Senator Chamberlain's statement as to the present inaction and ineffectiveness of the government is an astonishing and absolutely unjustifiable distortion of the truth. As a matter of fact, the War Department has performed a task of unparalleled magnitude and difficulty with extraordinary promptness and efficiency. . . . My association and constant conference with the Secretary of War have taught me to regard him as one of the ablest public officials I have ever known. . . . To add, as Senator Chamberlain did, that there is inefficiency in every department and bureau of the government, is to show such ignorance of actual conditions as to make it impossible to attach any importance to his statement."

In the same statement the President referred to the investigations of army affairs which Congress had been conducting, and to the proposed war cabinet legislation. He said:

"Nothing helpful or likely to speed or facilitate the war tasks of the Government has come out of such criticism and investigation. I understand that reorganizations by legislation are proposed. I have not been consulted about them and have learned of them only at second hand, but their proposal came after effective measures of reorganization had been thoughtfully and maturely perfected. . . . The legislative proposals I have heard of would involve long additional delays and turn our experience into lost motion."

The above statement was issued on the evening of January 21. Earlier on the same day Senator Stone of Missouri, a Democrat, who, in the early stages of the war, had been an open opponent of the President's war policy, made an impassioned defense of the administration. He attacked the Republican critics of the President for unpatriotic partisanship, paying special attention to Mr. Roosevelt, a bitter critic of the President, whose recent activity in Washington and whose presence on the platform with Senator Chamberlain in New York had made many believe that he was one of the leaders in the attacks on the war department. Senator Lodge of Massachusetts, a Republican, replied in a vigorous speech in which he maintained that the Republicans had supported the President during the war more loyally than many of his own party.

On January 24 Senator Chamberlain introduced his bill for a war cabinet. It was referred to the military and naval committees. After introducing his bill he made reply to the President's statement. He failed absolutely to make good his charges of inefficiency against "every bureau and department of the government;" and the evidence that he presented did not sustain his charges "that the military establishment of the country had broken down and had almost stopped functioning." His evidence did prove, what the secretary of war was willing to admit, that there had been some mistakes, which were being corrected as speedily as possible, and a few cases of neglect of sick soldiers which were exceptional and for which those responsible would be punished. The entire Chamberlain speech was unfair to the administration, and misleading to the public, in that it laid great stress on the few mistakes of the war department without giving it credit for the vast and difficult tasks that had been accomplished. Senator Chamberlain painted a very dark picture of the government's war work, because he tried to make the public see the occasional mistakes and failed to show the background of accomplishment before which the mistakes were insignificant.

The President's reply to his critics, especially those critics who demanded coördination through a war cabinet, was the Overman bill. On February 11 the President took personal charge of the movement for the passage of this measure. The bill brought forth much adverse criticism from senators who had been loudest in their claims that there was lack of coördination in the government and poor business management of the war. Some of the critics of the administration were placed in the position of demanding better business management of the war, but of objecting to President Wilson being the business manager. The active fight begun by the administration leaders for the passage of the Overman bill sounded the death knell of the abortive Chamberlain war cabinet measure.

On February 15 Senator Weeks of Massachusetts took up the argument for the war cabinet. In a carefully prepared speech he condemned the alleged rifle and powder shortage; attacked

Secretary Baker on the grounds of pacifism, because Mr. Baker had opposed universal military training; and urged the passage of the war cabinet bill. The most interesting part of this speech sheds much light on why those who are in favor of universal military service as a permanent policy have been so actively opposed to Secretary Baker. After a general criticism of the war department, Senator Weeks said:

"If I were to make a further criticism of Secretary Baker it would relate to his temperamental relationship to war. Doubtless he himself will admit that he is a pacifist by nature. For example, he is even now opposed to universal military training, one of the benefits we ought to get out of the great sacrifices we are making."

The real test of the sentiment of the senate regarding the Overman bill was not the final vote, for only 13 senators are recorded as voting against the measure. It was in attempting so to amend the bill as to make it unsatisfactory to President Wilson that those, who for various reasons opposed the bill, went on record. Two amendments to the Overman bill, offered by Senator Hoke Smith of Georgia, aimed to exempt the federal reserve board and the interstate commerce commission, respectively, from the operations of the measure. The vote on these amendments was taken April 27; and these two votes, substantially the same, were looked upon as the test of senatorial support of the administration. For the amendment exempting the federal reserve board, there voted ten Democrats—Chamberlain, Gore, Hardwick, Hitchcock, King, Reed, Smith of Georgia, Thomas, Underwood, and Vardaman—and twenty-seven Republicans—Borah, Brandegee, Cummins, Curtis, Dillingham, France, Frelinghuysen, Gallinger, Gronna, Hale, Harding, Johnson of California, Kellogg, Knox, Lenroot, Lodge, McCumber, New, Norris, Page, Poindexter, Sherman, Smoot, Sterling, Townsend, Wadsworth, and Watson. The vote on the other Smith amendment was practically the same. Seven Republicans—Baird, Colt, Jones of Washington, McLean, McNary, Nelson, and Warren—voted with the thirty-four Democrats supporting the administration to defeat the first Smith amend-

ment. Borah of Idaho joined these seven in voting against the other amendment. This test vote on the first Smith amendment marks the high tide of senatorial opposition to the President.

When one contrasts the attitude of the house toward the administration during the present year with that of the senate during the same period, one is forced to the conclusion that the house of representatives is more truly representing the American people; and that a considerable element in the senate is seeking party advantage in the war. Strange to say the senators who have been most insistent in their demands for non-partisanship in the executive branch of government have often been the most violently partisan in action and utterance.

Beginning even before the controversy in Congress over these measures, important alterations have been made to secure a more effective organization of the executive machinery. In the war department there have been significant changes in personnel, in the functions and organization of the general staff, and in the organization of the ordnance and quartermaster services. The most vital work of the council of national defense has been concentrated in the war industries board, the chairman of which has effective powers of control. Far-reaching changes have been made in the agencies dealing with shipping and aviation problems. Under the Overman Act, the President has made some transfers of functions and powers, as in placing the legal advisers of independent boards and commissions under the supervision of the attorney general. Moreover the President, independently of the Overman Act, has called together the heads of the military and naval departments, with those of a number of the new war agencies, into a council, meeting at intervals, which may prove a more satisfactory war cabinet than that proposed in the Chamberlain bill.

FEDERAL ASPECTS OF PREFERENTIAL TRADE IN THE BRITISH EMPIRE

C. D. ALLIN

University of Minnesota

The battle over the Corn Laws was fought out in Great Britain as a domestic issue. But it had nevertheless a great imperial significance. During the mercantilistic régime the colonies had been regarded as a commercial appanage of the mother country. The victory of the free traders opened up a new era in the economic history of the empire. The colonies were released from the irksome restrictions of the Navigation Laws. They acquired the right to frame their own tariffs with a view to their own particular interests. In short, they ceased to be dependent communities and became self-governing states.

But the emancipation of the colonies was by no means complete. The home government still claimed the right to control their tariff policies. The colonies were privileged, indeed, to arrange their tariff schedules according to local needs; but it was expected that their tariff systems would conform to the fiscal policy of the mother land. The free traders, no less than the mercantilists, were determined to maintain the fiscal unity of the empire. There was still an imperial commercial policy; its motif only had been changed from protection to free trade. The colonies were still bound to the fiscal apron strings of the mother country; but the strings were no longer so short, nor the knots so tight as they had formerly been.

INTERCOLONIAL PREFERENCE IN AUSTRALIA

In furtherance of the new imperial policy, the British government inserted a provision in the Australian Colonies Constitution Act prohibiting the local legislatures from levying discriminating duties. The natural economic unity of the Australian