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Walter Lafeber

Excerpt

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I

SPRINGBOARDS AND STRATEGIES

The Civil War created the beginnings of a new world for U.S. foreign policy, but it was another generation before that future could be realized. Out of the deaths of 600,000 Americans emerged, slowly but with certainty, a different nation, which replaced Jacksonian decentralization with centralization, the presidencies of James Buchanan and Rutherford B. Hayes with those of William McKinley and Theodore Roosevelt, the Jeffersonian agrarian-ideal commercial farmer with the Andrew Carnegie–J. P. Morgan ideal of the billion-dollar U.S. Steel Corporation, and the 1840s laissez-faire capitalism of James K. Polk’s Democrats with the late-1890s corporate capitalism of Senator Mark Hanna’s Republicans. Of special importance, U.S. officials built on these four domestic transformations to construct a foreign policy that replaced the Monroe Doctrine of 1823 with the Open Door policy of 1899–1900; that is, Americans were finished with land expansion from sea to sea. They were confident now in their supremacy over much of the Western Hemisphere and embarked on an imperialist course in parts of Asia and Africa.

These historic changes, of course, did not start cleanly in the 1860s. Jefferson and Polk, for example, had demonstrated incredible potential for presidential power long before Theodore Roosevelt’s birth. The faith that supplying China’s market could put depression-ridden Americans to work dated back to the mid-1780s, not the mid-1890s. Even the once firmly held belief that the Civil War gave birth to the industrialized United States has been disproved. The annual growth rate of U.S. manufactures was 7.8 percent between 1840 and 1860, but 6 percent between 1870 and 1900. Between 1860 and 1870, the value added by manufacturing increased by only 2.3 percent annually, the lowest rate

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of increase in the nineteenth century. Some economists explain this surprisingly low rate by arguing that the roots of industrialized America stretched back well before the Civil War and by noting that the conflict itself was not the first modern war but one of the last major preindustrial clashes.¹

That was one reason, no doubt, why later Americans so glorified this struggle waged by foot soldiers and men on horseback who fought at close quarters to protect a plot of earth they knew well. As Lincoln's reflections at Gettysburg announced, and as Edmund Wilson's *Patriotic Gore* a century later realized, a sense of self-sacrifice, moving in part (as Wilson noted) from Calvinist realism, added a new dimension to the already healthy sense of mission held by Americans. Few Civil War soldiers were quoted as saying they were willing to march into near-certain death at Antietam because they were just "doing their job." The American belief in Calvinism and mission was not decades old but two centuries old when it motivated soldiers on 1860s battlefields or missionaries in 1890s China. If a difference appeared, it was, as Albert Weinberg has observed, that in 1776 Americans assumed the natural rights that blessed them were universal, whereas by the 1890s these rights were considered national – and even then limited largely to males and certain Caucasians. The Civil War officially ended the slavery of African Americans, but the Emancipation Proclamation was not a commitment as well to raise the former slaves to equality. The mission and the racism that characterized U.S. imperialism in 1900 thus had different emphases and objectives than before the Civil War, but their roots reached deep into American history.²

NEW GOVERNMENT, NEW WEALTH

The 1860s marked the climax of a historic sense of mission and the emergence of a different kind of racism – a racism of neither slavery nor equality. The Civil War and the acts of Reconstruction also turned the United States into a nation-state. The phrase was no longer, as it had been before the 1860s, "the United States are," but "the United States is." The country's unification occurred at the same time that

¹ Stuart Bruchey, *Enterprise: The Dynamic Economy of a Free People* (Cambridge, Mass., 1990), 255–6.

² Edmund Wilson, *Patriotic Gore* (New York, 1962), esp. 61.

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Germany, Japan, Italy, and (with Alexander II's reforms) even Russia were also evolving into modern nation-states that could serve as springboards to empire. Industrialization – or, in some early stages, the aspiration to industrialize – acted as a catalyst in the development of these nation-states.³

In the United States, industrialization fed on the need to supply vast armies in the early 1860s. Those who could concentrate capital and set up spidery distribution systems could produce previously unimagined wealth in such businesses as meat processing and oil production. Many of the industries spawned by the Civil War helped shape U.S. foreign relations in the late nineteenth and early twentieth centuries. In 1865, Phillip Armour already enjoyed a \$2 million income from his meat-processing firm. By 1907 Armour and Company's foreign sales manager watched over separate departments responsible for South America, Asia, Africa, Europe, England, Germany, and France. The first U.S. oil had been discovered in 1859; by 1865 this six-year-old industry already provided the sixth-largest U.S. export. In 1870, John D. Rockefeller and several partners named their refining operations (already the world's biggest) Standard Oil. By 1883–5, Standard shipped 70 percent of its major product, kerosene, to Europe, and another 21.6 percent to Asia, where the Rockefellers were building the equivalent of their own diplomatic corps as they prepared for an epic battle with Russian oil.⁴

Such industries and others also generated capital that was not only burgeoning (especially with the help of the federal government, which during the war issued several billion dollars more in paper than it took in through taxes) but also becoming concentrated. One New York newspaper observed that in the 1840s not more than twenty citizens had a worth of \$1 million, but now in the 1860s New York alone had several hundred worth that amount, and some of them claimed \$20 million. This nascent finance capitalism had been helped by the fleeing of foreign investment when the war broke out in 1861. The

³ The “are” to “is” is especially emphasized in Garry Wills, *Lincoln at Gettysburg: The Words That Remade America* (New York, 1992).

⁴ Barbara J. Fields, “Ideology and Race in American History,” in J. Morgan Kousser and James M. McPherson, eds., *Region, Race and Reconstruction: Essays in Honor of C. Vann Woodward* (New York, 1982), 162–4; Alfred D. Chandler, Jr., with the assistance of Takashi Hikino, *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1990), 86–7, 92–3, 167–8.

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nation thus simultaneously multiplied and concentrated the capital resources necessary to compete later with the European cartels and government-sponsored firms that spread over the nonindustrialized world. Capital moves “in larger masses than formerly,” the *New York Commercial and Financial Chronicle* noted in 1866. “[Small firms cannot compete and are] absorbed into them.... It is one of the signs of the time and will probably exert no small influence over the future growth of our industrial and commercial enterprise.”⁵

This multiplication and concentration of wealth was not born of laissez-faire principles. The secession of the South in 1861 suddenly removed many members of Congress who had opposed systematic governmental help to the business sector. (They had good reasons for their opposition. With the expanding northern population giving that section control of Congress, Southerners knew that the help would flow especially to railroads and new manufacturing, both of which were relatively scarce in the slaveholding region.) As historian Charles Sellers phrased it, “Only on the battlefields of the Civil War did the progressive bourgeoisie of free-labor exploitation finally prevail over resistant farmers, workers, and the anachronistic [Southern] planter.” Thus the low tariffs of the post-1832 era were replaced in 1861 after passage of the Morrill Act, and over the next five years average ad valorem rates on dutiable imports shot up 250 percent. Such tariffs, combined with the military’s bottomless needs, opened the quickest path possible to creating a rich home market for industrialists. Nor did the new higher-tariff policy significantly change until the end of this era in 1913. Not content with merely creating a new protected market, Congress used more direct methods to unify and systematize it. In acts passed during 1862 and 1864, money, vast amounts of land, and rich timber and mineral rights were freely given to companies that would lay rail links. By 1869 the first transcontinental railroad existed. An industrialist spelled out one meaning for foreign affairs: “The drills and sheetings of Connecticut, Rhode Island, and Massachusetts and other manufactures of the United States may be transported to China in thirty days [instead of months]; and the teas and rich silks of China, in exchange, come back to New Orleans, to Charleston, ... to Philadelphia, New York and Boston in thirty days more.” Replacing pre-Civil War Jacksonian democracy

⁵ Thomas C. Cochran and William Miller, *The Age of Enterprise* (New York, 1942), 116.

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with Republican centralization radically enlarged the nation's foreign opportunities.⁶

Congress found a historic opportunity for creating wealth by passing a Homestead Act in 1862 that gave 160 acres of unoccupied land to anyone who would cultivate it for five years or pay \$1.25 per acre within six months. The cash provision opened the riches of the western lands to wealthy speculators who seized good land and then sold it at profit. In 1864, Congress dealt with the growing labor shortage by passing the contract labor law, which allowed business agents to travel to Europe and bring back workers under contract. By 1865, the number of immigrants grew to twice that of 1861. Many were used to break strikes between 1864 and 1868, when the law expired. Unions had flourished in the early war years.⁷ When immigrants were not used to break strikes, blacks often were, and the resulting clashes (especially between African Americans and Irish) turned bloody. The racism and xenophobia shaped the ideology of following generations, including those who made U.S. foreign policy. Of equal importance, the clashes between capital and labor previewed later confrontations that, as they grew sharper during the post-1873 depression, led U.S. officials to search for foreign policies that might end the upheavals.

Post-Civil War America remained a vast, unwieldy country of isolated, parochial communities, but the federal government had demonstrated its power to invade these areas and integrate them into an industrializing, railway-linked world that had global boundaries. When, for example, Congress moved in 1863 to try to systematize the banking system, it followed with an 1865 law that taxed state bank notes and created a more uniform national currency under Washington's control. The growth of executive power more than kept pace with the legislatures'. By reasoning that the country faced an unprecedented emergency and then employing the Constitution's provision that the president is commander in chief of the nation's military, Abraham Lincoln raised

⁶ Charles Sellers, *The Market Revolution* (New York, 1991), 6; David Pletcher, "Growth and Diplomatic Adjustment," in William H. Becker and Samuel F. Wells, Jr., eds., *Economics and World Power* (New York, 1984), 132–4; quoted in Charles A. Beard and Mary Beard, *The Rise of American Civilization*, 2 vols. (New York, 1927), 2:128–9; on Civil War statism, and the emerging finance capitalism, Richard Franklin Bensel, *Yankee Leviathan: The Origins of Central State Authority in America, 1859–1877* (New York, 1990).

⁷ Cochran and Miller, *Age of Enterprise*, 107–10.

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and committed an army to oppose the South's secession without even consulting Congress. Lincoln did ultimately ask Congress in mid-1861 to judge his actions, but never during the next four years did Congress successfully rein in his growing prerogative. In E. S. Corwin's classic formulation, Lincoln's success produced two results. One was that future presidents could directly deal, without undue concern for congressional or state objections, with conditions that the president believed presented actual or potential violence and, in his judgment, endangered the nation's interest. A second result was that later presidents could more generally use, as Corwin phrased it, "Lincoln's acts as if they supported the thesis of presidential autonomy – in other words, presidential autocracy – in all fields of presidential power." Not the least of those fields would be foreign affairs, especially when the commander-in-chief authority over the nation's military could serve as a rationale. Presidential power could not be separated easily into domestic and foreign compartments.⁸

The line from the 1860s to the foreign expansionism of the 1890s was not unbroken. Lincoln exerted unusual control over Congress and demonstrated how the executive's broad powers could be stretched. Immediately after the war and his death, however, the Supreme Court moved to limit these powers by arguing that constitutional restraints worked "equally in war and in peace" and that to suspend those restraints even during an emergency such as the Civil War could lead "directly to anarchy or despotism." Lincoln's successor, Andrew Johnson, tried to stop Congress's Reconstruction program, which aimed to use military force, if necessary, to protect African Americans' rights (and therefore Republican power) in the former Confederacy. The clash climaxed in 1868, when Congress came within one vote of removing Johnson from the presidency. For the next quarter-century, Congress usually maintained its domination over the executive. Lincoln's use of power, however, could not be permanently undone. The institutionalized centralization of power required only the rise of foreign affairs to a high place in the nation's agenda, along with recurring crises resulting

⁸ Edward S. Corwin, "The Aggrandizement of Presidential Power," *Annals* 218 (November 1941): 122–31; "island community" is a key theme of Robert Wiebe, *The Search for Order, 1877–1920* (New York, 1967).

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from those affairs – crises that, as most presidents believed, the president could best handle.⁹

SEWARD AND IMPERIAL RECONSTRUCTION

Lincoln's and Johnson's secretary of state was William Henry Seward of New York. As a leader of the former Whig party, Seward had bitterly opposed strong Democratic presidents such as Jackson and Polk. In a switch not uncommon in American politics, however, Seward became a strident defender of executive authority when his new Republican party occupied the White House in 1861. The New Yorker indeed constantly preached the need to centralize and rationalize the far-flung continental system so that it could compete with other powers. He developed, moreover, an imperial strategy that was unrealizable in his lifetime but was to be realized over the next two generations. In a later American society in which marketplace competition is assumed and the ideology simply becomes conventional wisdom, Seward becomes the vital link between the pre- and postindustrial United States.

He argued that the federal government had to take the lead in this consolidation by passing higher tariffs to protect the home market. Such tariffs were vital in creating new industries that could grow safely until they were able to sell abroad. Seward and the Republicans also developed a more centralized banking system; a land act that rapidly filled the interior; and the 1864 contract labor law and an 1868 treaty that Seward negotiated with China to provide the necessary labor power, as well as inhabitants to populate western lands. Above all, Seward believed in the magic of new technology and transportation to tie the nation together and make it efficient. As governor of New York he had successfully pushed to build the foundations of the state's railway system. As a U.S. senator in the 1850s, he helped legislate a national improvements program of railways, canals, highways, and ships. As he proclaimed in 1853, "[O]pen up a highway through your country to San Francisco," and fill the continent with farms and manufacturers, for

⁹ Especially important is Eric McKittrick's essay in William N. Chambers and Walter Dean Burnham, *American Party Systems*, 2d ed. (New York, 1975), 139; Arthur Schlesinger, Jr., *The Imperial Presidency* (Boston, 1973), 69–70.

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“the nation that ... sells the most of productions and fabrics to foreign nations must be, and will be, the great power of the earth.”¹⁰

Seward combined this vision with another: the Stars and Stripes flying above Canada and Mexico. His passion for landed expansion, however, had cooled during the 1850s, when he understood it could lead to the expansion of slavery and the South’s power. By then he had switched his passion from landed to commercial expansion and from the Western Hemisphere (where the South hoped to expand its “peculiar institution”) to Asia. He declared disingenuously that the Monroe Doctrine had been realized. It was time to prepare for conquering Asian markets, a call to action that a friend promptly tagged the “Seward Doctrine.” The conventional wisdom was that trade followed the flag. Not necessarily so, Seward argued: “Political supremacy follows commercial ascendancy.” He believed Mexico and Canada would join the Union, but peacefully, in time, without the bloodshed of conquest. He feared, moreover, that “mixed races,” such as those in Mexico, could not yet govern themselves. “The empire of the seas,” not land, “alone is real empire,” Seward trumpeted, and Asia, not the Western Hemisphere, was to be “the prize,” “the chief theatre of events in the world’s great hereafter.”¹¹

Americans’ growing belief that they were using new technology to develop their continent so that they could use it as base from which to conquer that overseas commercial “prize” has aptly been termed “continentalism.” The term opens insights into the entire era from the 1840s to World War I.¹² In 1864–5, Seward faced a pivotal test of his theory. Napoleon III of France had taken advantage of the Civil War crisis to send both troops and Archduke Maximilian of Austria to conquer

¹⁰ William Henry Seward, *The Works of William H. Seward*, ed. George E. Baker, 5 vols. (Boston, 1853–83), 5:5, 3:109, 3:616, 3:618; Ernest N. Paolino, *The Foundations of American Empire: William Henry Seward and U.S. Foreign Policy* (Ithaca, 1973), 5–6, 35–6. A different view of Seward is well argued in Robert L. Beisner, *From the Old Diplomacy to the New, 1865–1900*, 2d ed. (Arlington Heights, Ill., 1986); and Charles S. Campbell, Jr., *The Transformation of American Foreign Relations, 1865–1900* (New York, 1976), 23–4.

¹¹ Richard H. Immerman, *Empire for Liberty: A History of American Imperialism from Benjamin Franklin to Paul Wolfowitz* (Princeton, 2010), 106–114, is especially useful for understanding Seward in the 1850s; Paolino, *Foundations of American Empire*, 27, 28–30; Seward, *Works*, 3:168, 5:246; Fredrick H. Stutz, “William Henry Seward, Expansionist” (Master’s thesis, Cornell University, 1937), 26, 53.

¹² Charles Vevier, “American Continentalism: An Idea of Expansionism, 1845–1910,” *American Historical Review* 65, no. 2 (1960): 323–35.

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Mexico and its liberal government of Benito Juarez. Napoleon instantly threatened to establish a French empire, block U.S. expansion, and diminish British power in the hemisphere. Pressure grew on the beleaguered Seward to respond. On May 5, 1864, he counseled patience: “Five years, ten years, twenty years hence, Mexico will be opening herself as cheerfully to American immigration as Montana and Idaho are now.” The next day he told the U.S. minister in Madrid that the United States desired no further “conquest” because it already had “abundant territory and all that [Americans] can improve.” Seward’s remarks signaled that nearly three hundred years of American landed expansion was ending. After the Civil War, U.S. armies mobilized on the Mexican border to drive out the French, but they were unneeded. The Mexicans executed Maximilian and destroyed Napoleon’s dreams.¹³

The question became whether Seward was correct in prophesying that technological and commercial expansion would replace landed conquest in the nation’s next historical phase. One answer appeared when the restored Mexican government welcomed increasing numbers of U.S. investors.

The future was glimpsed: Reactionary European colonialists were replaced by Americans who would “value dollars more, and dominion less,” as Seward succinctly put it. Another answer appeared when he learned in 1867 that Egyptians had convened a legislative assembly in Cairo. The assembly demonstrated, Seward concluded, “that popular govt, follows in the track of the steam engine and the telegraph,” even this “soon in Africa.”¹⁴ Yet another answer appeared between 1866 and 1868 when the secretary of state embarked on a breathtaking plan to build his own “highway” to Asia by obtaining naval bases and isthmian

¹³ Frederic Bancroft, *The Life of William H. Seward*, 2 vols. (New York, 1900), 2:429; Richard Van Alstyne, “The Monroe Doctrine,” in Alexander DeConde, ed., *Encyclopedia of American Foreign Policy*, 3 vols. (New York, 1978), 2:590–1. After the crisis, Seward wrote the U.S. Minister to France in September 1865 that France and Mexico should be aware that while “the American people” had no taste for “military conquest, yet the nation has... found necessity for expansion, and that the like necessity may reasonably be expected to occur hereafter. That expansion has thus far been affected by the annexation of adjacent peoples.” Seward to Bigelow, September 6, 1865. I am indebted to David Langbart for this document, which the State Department refused to declassify in the 1920s and was fully available in 2010.

¹⁴ Draft of reply to Charles Hale, January 5, 1867, Papers of William H. Seward, University of Rochester, Rochester, N.Y.; Thomas Schoonover, *Dollars over Dominion* (Baton Rouge, 1978), 252–4, 282.

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canal rights in the Caribbean region, seizing a foothold on Hawaii, and applying military pressure on Asia.

Seward's grand plan, however, crashed into roadblocks on the highway to Asia. He was nearly killed by a colleague of the assassin who shot Lincoln in April 1865. Recovering slowly, Seward watched as the new president and congressional Republicans clashed over Reconstruction policies. Johnson, born to poor white stock in Tennessee, had little sympathy for freed African Americans and wanted the South to return immediately to the Union. Leading lawmakers were determined to punish the South and protect the former slaves. Seward not only sided with Johnson but also persistently urged him to move rapidly in readmitting the old Confederacy to the Union. The secretary of state's motives were mixed. He respected the former Confederate leaders, many of whom had been his prewar colleagues in the Whig party, and he believed they formed a safe, cooperative core for Southern state governments. It might have been that the sixty-five-year-old Seward viewed these friends as part of a new political party that would catapult him into the presidency in 1868. There is no doubt he believed that African Americans were unable to govern themselves, let alone govern whites, and that (as he told Southerners) perhaps slavery could be replaced by a kind of involuntary apprenticeship on the plantations. "The North has nothing to do with the negroes [sic]," Seward told liberal friends in April 1866. "I have no more concern for them than I have for the Hottentots.... They are not of our race.... The North must get over this notion of interference with the affairs of the South."¹⁵ That letter illustrated, among other things, why Seward and many other Americans wanted no more landed expansion southward that might bring more non-Caucasians (a number of Americans narrowed this to non-Anglo-Saxons) into the Union.

Furious Radical Republicans speculated that Seward was the evil genius behind Johnson's policy. In late 1866 the secretary of state admitted that in his long, combative public life he had never been so maligned.¹⁶ The elections that autumn gave the Radical Republicans sufficient control of Congress to pass their program over Johnson's vetoes.

¹⁵ Immerman, *Empire for Liberty*, 120–2, for Seward's racial views; Seward, *Works*, 5:519–21; Fawn Brodie, *Thaddeus Stevens* (New York, 1959), 285; Eric Foner, *Reconstruction: America's Unfinished Revolution, 1863–1877* (New York, 1988), 190, 219.

¹⁶ Seward, *Works*, 5:8.