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D'ARCY McGEE AND THE ECONOMIC ASPECTS OF NEW NATIONALITY

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In the past, D'Arcy McGee has been a convenient subject for Canadian celebrations. His rhetoric and the Canada First myth that he was a man of national principle before party has made him attractive to those in search of Canadian heroism. His early flirtations with Irish rebellion and American democracy, with his eventual discovery of peace, order, and good government in British North America, have had a certain appeal to those whom F. H. Underhill has called Canadian romantics. Because of his uncompromising stand against Fenianism and his subsequent assassination, some have gone so far as to call him Canada's first political martyr.

Professional historians have considered McGee when studying the Confederation movement and have been puzzled by his role. Much of their difficulty stems from the way they consider the Fathers of Confederation generally. They tend to assume that the Fathers had all the character of a football team. Macdonald was the quarterback. Brown had the power and determination of a fullback. Cartier was there to keep the French members on the team, while Galt called the signals. With talent such as this, the Confederation team won the day, but, it was alleged, not without some support from the British referees. And when it came time to assign McGee to a position on this team, the only place left was that of cheerleader. In the nineteen-twenties, D. C. Harvey called McGee the prophet of the new nationality. He pointed to McGee's coining of the phrase, his early support for a federal union of British North America, and his appeal to an unhyphenated Canadianism. Alexander Brady's study was the only one to approach the dimensions of a biography. Much of the Canada First view did enter Brady's interpretation, and he described McGee as a political educator of the Daniel O'Connell School, more concerned with visionary ideals and their presentation to the public than with economic or political reality. Brady accepted Harvey's phrase with respect to Confederation and the new nationality:

> His work was not that of a constitutional architect giving expression to political needs in the legal terms of a constitution. Nor was he a party leader, subtly pulling together the strings guiding political groups... McGee's task was that of inspiration. His position was that of a prophet and a guide.[1]

This is largely the view accepted in the recent history dealing with Confederation. It has made it possible almost to ignore McGee, except

[1] A. Brady, *Thomas D'Arcy McGee*, Toronto: 1925, p. 159.

to record his presence at several conferences and to include a few quotations from his speeches that seem convenient or pertinent. Perhaps it is because of this interpretation that A. R. M. Lower could not include McGee in one of the two categories he provided for the Fathers of Confederation — the "greats" and the "not-so-greats". McGee had to be content with a place somewhere in between.

I would like to consider McGee within the Confederation movement, but from a different point of view. McGee supported Confederation because he believed that it was one of the steps necessary to inaugurate what he called the new nationality. The federal union of British North America was simply one aspect of an overall programme which he defined as his national policy. I would like to analyze another aspect — his economic programme. I will first outline the economic policies he put forward in the editorials of the *New Era,* a newspaper that he edited during his first eleven months in Canada. I will then try and indicate how these policies guided his course in Canadian public life, and suggest a revision of McGee, the romantic and visionary prophet. At the same time, I would like to question P. B. Waite's conclusion that none of the Fathers of Confederation knew what "was involved in the creation, administration, and maintenance of a transcontinental state."[2] Finally, I will hazard some comments on what this particular study means for the Confederation movement in general.

The *New Era* was a project that had been discussed from the time D'Arcy McGee visited Montreal to lecture in September, 1856. The idea of a new tri-weekly was supported by a group of prominent Montreal Irishmen who felt that the Irish in Canada were not obtaining the position and influence that their numbers could demand. A new journal was essential to their interests, as they felt that the English-Catholic *True Witness* was too concerned with religious questions and had failed to present the Irish point of view. After the Irish uprising of 1848, D'Arcy McGee had fled to New York where he edited *The Nation.* It met with little success. His *American Celt* fared hardly better in Boston and Buffalo. An Irish-American publisher agreed to buy up the *American Celt* and McGee moved to Montreal in the spring of 1857.

The first issue of the *New Era* appeared on Monday, May 25, 1857, and the journal continued to be published until the beginning of May, a year later. It announced the intention to be a literary journal, an ambition which it fulfilled by publishing short stories, occasional poetry, and book reviews. It is the editorials that are most interesting. Not unnaturally, they were concerned with the Irish point of view. At least one-quarter of the editorials concentrated on a campaign against the

[2] P. B. Waite, *The Life and Times of Confederation,* Toronto: 1962, p. 329.

Orange Order. Many were occupied with the election of 1857. Others defended the Montreal position on the question of a permanent capital.

In the editorials, McGee also proposed the creation of a Canadian nationality. The idea was connected with the whole concept of the new era. In one editorial, he asserted: "We are convinced the time has come to proclaim the Colony of age . . . We think we can prove that the new *régime* may be proclaimed to the world . . ."[3] He went on to outline a programme of economic development through immigration, public works, and tariff reform. He studied the question of constitutional reform in terms of Canadian nationality. He considered the legal status and cultural identity of this nationality with respect to the British Empire and the United States. In the editorial commenting on the opening of the Legislature in 1858, McGee declared: ". . . every important topic that can arise ought to be viewed by the light, and decided by the requirements of Canadian nationality."[4]

Throughout the pages of the *New Era*, McGee maintained that one of the first requirements for the inauguration of this new nationality had to be the securing and developing of a Canadian economy. To realize this end, the Province had to expand. Primarily, it had to seek a greater degree of economic co-operation with the other British Provinces, as well as claim and colonize the western territory now administered by the Hudson's Bay Company. In both instances, the proposed expansion rested on the geography of the St. Lawrence and its commercial potential:

> Happily for our hopes for these countries, they rest upon a geographical basis as unalterable as the globe. Mutual interests, mutual selfishness, may do much; political and military reasons have their weight; but the strongest bond of their future amity is the river and the Gulf of St. Lawrence.[5]

In his editorials, McGee proposed several measures that were designed to extend economic co-operation with the eastern Provinces. He emphasized the market central Canada would provide for fish, and the economic advantage such a resource would give British North America as a whole, maintaining that: ". . . the fisheries ought to be the richest resource of these Provinces."[6] He advocated the improvement of communications through the creation of a postal union. He also argued that a uniform system of banking, credit, and currency would facilitate commerce. He suggested that each of these innovations could be agreed on at an Intercolonial Conference. These steps would encourage reciprocal trade between Canada and the British Maritime Provinces, and in the *New Era*, McGee consistently argued that Canada should seek economic

[3] *New Era*, January 19, 1858.
[4] *Ibid.*, January 19, 1858.
[5] *Ibid.*, August 4, 1857.
[6] *Ibid.*, August 4, 1857.

co-operation in that direction rather than in the direction of the United States. "Why should not the harbors of Saint John and Halifax have the preference of Canadian trade and travel, if they can compete with Portland?"[7]

This suggestion naturally led to another. To be competitive, the Maritime harbours would have to have a railway connection with Canada. In the *New Era,* McGee described the Grand Trunk Railway as the only national undertaking in the Canada of 1857. He added, however, that the railway would have to be extended beyond the limits then envisioned, for, as he put it: "Our railroads can never be considered complete until they abut on the Atlantic."[8] To those who argued that trade should seek its natural course, McGee was very explicit. "We all know what is usually urged about allowing trade to choose its own channels; but we can never believe that the laws of trade, rightly understood, can conflict with the higher law of self-preservation."[9]

The improvement of communications, the unification of the banking system, and the conclusion of a reciprocity agreement, were all means of promoting closer economic ties with the Maritime Provinces. McGee also believed that the Province would have to re-evaluate its economic relations with the United States as it proceeded to develop its own economy. In one editorial, McGee stated the problem as follows: "... we are inextricably wound up with the commerce of the American and will need all our influence, all our energy and all our unity, if we are to get our fair share in the common profits."[10] In order to promote such an end, McGee campaigned against the existing reciprocity agreement with the United States. In another edition of the *New Era,* he urged: "... such a modification of the Reciprocity Treaty, as would ensure that the same duty should be levied on all articles of American manufacture, that is levied on articles of Canadian manufacture in the United States."[11] He went on to argue that if the Canadian economy were to become viable, it would have to become industrial. During a period of industrialization, the Canadian market would have to be protected. In one of his first editorials, McGee asked a series of questions that were intended to be rhetorical. The proposals for industrialization and protection were prominent among the questions and were linked with the idea of reciprocity with the Maritime Provinces. In it he asked:

> Whether a people shut up by a six months' winter under their own roofs must not necessarily become — in self-defence — a manufacturing people? Whether infant manufactures were ever known to flourish without special encouragement during their infancy?

7 *Ibid.,* August 4, 1857.
8 *Ibid.,* August 4, 1857.
9 *Ibid.,* August 4, 1857.
10 *Ibid.,* December 8, 1857.
11 *Ibid.,* June 17, 1857.

> Whether Canada's true interest does not point, in the first place, to a reciprocity of dealing with the maritime British Provinces, in preference to New York, Boston, and Portland? [12]

In their turn, closer economic relations would have their political effects. A form of political union would improve the position of the British Provinces in North America generally, and work to create what McGee would later define as British American Nationality. McGee had little doubt that a union, when achieved, would be federal. He outlined his thoughts on the subject in a speech which was reported in the *New Era*. "Our river system dictates our union, railroads and canals will strengthen these natural bonds, but complete one-ness of political life must still be wanting . . . ."[13] In the address, he envisioned a series of economic agreements terminating in what he called "a Federal compact, entered into between the Provinces."[14] Such an arrangement would solve many of the constitutional problems in Canada, and facilitate the realization of another important development — the annexation of the West.

In the *New Era*, McGee regarded western development to be as vital as eastern expansion. In one editorial suggesting a "Confederation of the Colonies," he described the Northwest as " . . . the new Canada West, the field for another Province."[15] On other occasions, McGee disputed the claim of the Hudson's Bay Company and warned that Canadian rule in the West would have to be distinguished by its recognition of the natural rights of the original inhabitants.

Fundamental to any programme for economic and political development was a well-organized and co-ordinated immigration effort. A large population was one of the most immediate economic requirements for the new nationality. In one editorial, McGee put it this way: "We must seek assistance, if we wish to build up the wealth of this young country . . . . Emigration must be encouraged by Canadian statesmen."[16] He criticized the government for its lack of interest in immigration, comparing the Annual Report by the Minister of Agriculture, Immigration and Statistics, with figures from New York.

McGee suggested several measures that were necessary to implement a Canadian immigration programme. He proposed the appointment of agents, modelled on the American and Australian examples, to be situated in Europe and New York. These would also work to develop overseas markets and become what McGee called a commercial diplomacy. He urged the government to pass rigid legislation to improve the standards aboard immigration vessels, and to appoint supervisors to enforce the regulations.

12 *Ibid.*, June 27, 1857.
13 *Ibid.*, October 22, 1857.
14 *Ibid.*, October 22, 1857.
15 *Ibid.*, August 8, 1857.
16 *Ibid.*, April 20, 1858.

Finally, he recommended the construction of better facilities to receive and accommodate new arrivals. Canada had to compete in an international market for settlers and it was only in this way that immigration would be "... sifted and sown as it ought to be."[17]

In the *New Era,* McGee went beyond Confederation, western expansion, and economic development, to argue for a greater Canadian voice in international affairs. He questioned the leaving of Canada's relations with the United States "... unconditionally and absolutely in the hands of the Colonial Secretary and the British Minister at Washington," and recommended the appointment of a Canadian resident in the American capital.[18] He discussed several plans to develop a Canadian literature. He considered the problem of the new nationality acquiring its sovereignty, yet maintaining the Imperial unity, and recommended the establishment of a Canadian dynasty by a member of the royal family who would fulfill all offices in what McGee described as "a new kingdom upon the St. Lawrence."[19]

From the *New Era,* McGee went into Canadian politics. His economic programme was a part of his election address, and this he projected with special attention to the interests of his audience:

> Our class interests in politics are the interests of labor,... that public works may go on, that great material enterprises should be carried out, that Canadian industry should have a just preference in the Canadian market, that the back country should be rapidly settled, in order to make and multiply business for Montreal. Properly considered the interests of capital and labor are one and the same....[20]

McGee's political activity from 1857 to 1868 indicated that he was not simply a visionary. He did have a vivid image of the new nationality, but this was accompanied by a well thought-out programme, and the realization that political power was necessary to give his vision substance and his programme reality. To provide himself with that power, he put himself at the head of an effective Irish Catholic organization. He was fully aware of the limits of that power, and he knew that he had to work in close association with a party to be effective. The Canada Firsters liked to claim that McGee despised parties, but this is what McGee had to say:

> All men agree that parties are necessary in a free country, and that individual politicians to be of any real service to their age or state must belong to one party or other. If this is true of all countries, under constitutional government, it is pre-eminently true of Canada, where no amount of individual effort, apart from party connexion, can avail anything.[21]

17 *Ibid.,* June 12, 1857.
18 *Ibid.,* June 1, 1857.
19 *Ibid.,* January 19, 1858
20 T. D. McGee, "Election Address," *New Era,* December 1, 1857.
21 *New Era,* April 27, 1858.

I don't want to consider every detail of McGee's political career; I simply wish to indicate how his economic programme influenced this career. From 1857 to 1863, McGee attached the support of his organization to the Reformers. At the time, he shared George Brown's contempt for the corruption of the Macdonald-Cartier coalition and criticized its inactivity. He believed that the Reformers were the only party that had the dynamism to effect the changes that were necessary to allay sectional and sectarian strife, and get on with the business of creating the new nationality. Not unnaturally, it was his economic programme that was a principal obstacle in the way of his co-operation with the Reformers.

As a private member, he introduced a bill calling for the formation of a committee to study immigration. When the motion passed, he was made chairman of the committee that led to the construction of new facilities and the appointment of immigration agents. During the summers he travelled to the Maritimes and often spoke of the ideas he had presented in the *New Era.*

McGee became President of the Council in Sandfield Macdonald's first government following the defeat of the Militia Bill in 1862. He worked to have the Immigration Department transferred to his jurisdiction. Due to his acquaintance with the Maritimes, he chaired the Intercolonial Railway Conference that convened in Quebec City in September. A. A. Dorion, the Rouge leader and advocate of retrenchment, resigned when an agreement on the Intercolonial Railway was reached. Meanwhile, McGee continued to campaign for greater efforts:

> I know it is said, the motto of our government is and ought to be *"Retrenchment"!* Gentlemen, that is a good word — *Retrenchment* — but I will follow it with another, not hostile, not inconsistent with it, the word *Development.* ... a government must lead as well as save, it must march as well as fortify, it must originate plans for the future, as well as correct errors of the past.[22]

Dorion re-entered the government when it was re-organized after its defeat. The Intercolonial Railway agreement was abandoned, the immigration agents were recalled, and McGee was dropped.

In the General Election of 1863, McGee reiterated his support for the programme that he had presented six years before. "I will stand on my old platform of liberal and national opinions, . . . I intend to adhere to the national policy I have always advocated and acted upon . . . ."[23] Successful in the election, he continued his initiative with the Maritime Provinces, travelling to Saint John and Halifax to speak on the Intercolonial

[22] T. D. McGee, "Ottawa, the Probable Capital of an United British North America," Ottawa, October 14, 1862. *Speeches and Addresses Chiefly on the Subject of British American Union,* London: 1865, p. 55.

[23] *Gazette,* June 3, 1863.

Railway and Confederation. He finally became Minister of Agriculture, Immigration and Statistics in the Taché-Macdonald government, and he retained that portfolio in the Great Coalition. It is usually assumed that Canada began to consider attending the Charlottetown Conference only after the Coalition was formed. However, two weeks before the crisis that brought the Coalition to power, and as the Minister of Agriculture in the Taché-Macdonald government, McGee wrote a letter to the President of the Grand Trunk Railway:

> The Lower Provinces meet at Charlottetown in August, or early September to consider the reunion of Prince Edward Island, N.S., and N.B. We, I hope, shall be represented by Brydges, R.S.M. Bouchette (Chief Com. of Customs), and myself, — or some similar commission — Intercolonial and commercial.[24]

Of course, the commission to Charlottetown was to be much more distinguished, as the events it inaugurated were to be much more significant than McGee could have imagined when he wrote that letter. While the terms of Confederation were being worked out, McGee was pretty well in the background. At the time, the *Globe* often poked fun at McGee, the urban politician in charge of Agriculture, and this has often been used to indicate that the position was simply a sinecure. This view forgets that immigration was a part of the office and ignores the importance of an agricultural land policy in an immigration programme. Between Colonial Conferences, McGee proceeded with the internal reform of his departments and drew up a Homestead Bill modelled on the American Bill of 1863. He interrupted the Quebec Conference on only two occasions, once when he objected to provincial control over public lands.

Many students of McGee tend to identify the accomplishment of Confederation with the realization of the new nationality. But Confederation was only a beginning. Shortly after the B.N.A. Act had been passed, McGee wrote to Macdonald: "Theoretically it is true the work is done; but practically it is only beginning."[25] McGee continued to campaign for the annexation of the West, higher tariffs, a Pacific Railway and an immigration programme, until his assassination. If the National Policy was a way to create and administer a transcontinental state, then clearly there was someone among the Fathers of Confederation who appreciated what the creation of the new nationality involved.

While the traditional view of McGee does not stand up to this new evidence, this revision also throws some new light on the Confederation movement. No doubt a good deal of McGee's conception of the new nationality can be attributed to the quality of his own mind, and to his experience in Ireland and the United States. In Ireland, he was critical of Young Ireland's disinterest in the economic side of Irish nationalism

[24] P. A. C., *Edward Watkin Papers*, McGee to Watkin, June 8, 1864.
[25] P. A. C., *John A. Macdonald Papers*, McGee to Macdonald, April, 1867.

and Home Rule. In the United States, he was active in organizing an immigration company to rescue the Irish from the slums of the East and to settle them on farms in the West.

These factors alone, however, do not explain how McGee was able to seize on all of the elements of what later became the National Policy. Of course, one could fall back on the old explanation and continue to call McGee a prophet, but this is not very historical. A more valid explanation lies in the nature of the situation in which McGee found himself when he arrived in Montreal in the spring of 1857. At the time, Montreal merchants and manufacturers were engaged in a campaign for higher tariffs to alleviate the effects of a recession they associated with the Reciprocity Treaty of 1854. So effective was their campaign that every candidate in Montreal in the General Election of 1857, including A. A. Dorion and Luther Holton, pledged their support for higher tariffs. (Holton and Dorion have been generally considered as liberal free traders.) The Cayley Tariff followed in 1858, and Galt increased it in 1859. McGee's economic programme for the new nationality was as much a reflection of Montreal's commercial ambition as it was the product of his own mind.

The close association between McGee's national ideas and Montreal's commercial ambition was further enhanced by McGee's relations with the City's business community. Successful Irish businessmen were prominent among McGee's initial supporters. They arranged public testimonials to pay his debts, provide security, and meet election expenses. Later, John Molson was the principal contributor among those who purchased a house and property so that McGee could continue to hold office. William Ogilvie nominated McGee in 1863, and was his provincial running mate in the first election after Confederation. McGee's local opponents were critical of his connections with the Grand Trunk Railway. Some believed the Company financed his excursions to the Maritimes, and it was not insignificant that his collection of speeches on the subject of British-American Union was dedicated to Edward Watkin. McGee was a political representative and public spokesman for a good section of Montreal businessmen.

Thus, McGee's ideas on the new nationality were more than the expression of an individual. His constant reference to the St. Lawrence as the economic base for his national idea indicated that the old ambition of the commercial empire of the St. Lawrence was now conceived in national terms. "... in the river system we have a skeleton of an indissoluble nature holding us together, and making us as one people; we may control the carrying trade of the Great West into the Atlantic."[26]

[26] T. D. McGee, "Our Duty to Canada, the Land of Our Adoption," Toronto: November 24, 1857. *Colonist*, November 27, 1857.

A new nationality was now the solution to the problem that had been created by the end of mercantilism and the failure of annexation. The intimate association between Canadian nationalism and business — a principal feature of 1878, 1891, and 1911 — pre-dated Confederation. Perhaps Confederation itself was the first product of that intimate relationship.