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Maine and the End of Reciprocity in 1866

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Portland’s development in the nineteenth century owed much to the economic strategies adopted by its leading merchants and politicians. In the prosperous years following statehood, the city benefited enormously from the burgeoning West Indies trade. By midcentury the coastwise exchange of timber, rum, and sugar had tapered off, and the city looked to new methods for maintaining its commercial strength. Building on Portland’s mercantile heritage, city leaders turned to railroads, and especially rail links with Canada, as a means to continue the flow of trade through the city. Continental economic integration — stronger trade links between Canada and the northeastern United States — promised new returns on Portland’s traditional commercial advantages.

The key to linking Canadian trade to Portland’s port facilities was the Atlantic and St. Lawrence Railroad, officially opened on July 18, 1853. The new line, which joined Montreal and Portland, resulted from the entrepreneurial and promotional energies of Portland’s John Alfred Poor, William Pitt Preble, and Josiah S. Little and those of Montreal businessman Alexander Tilloch Galt. The railroad’s promoters had highlighted the advantages for both cities. Since the St. Lawrence River was clogged by ice for roughly half of each year, the railroad offered Montreal an alternative to winter isolation; the terminus at Portland would be the western city’s outlet to the rest of the world. For Montreal, Portland was closer by half a day to Great Britain than Boston, and two days nearer than New York. As the railroad became an important part of the Portland economy, Montreal could hope to exert more influence in Portland than in larger Boston or New York. As for
Portland's growth in the nineteenth century reflected its changing commercial advantages. As transportation moved from sailing ships to steam and finally railroads, city leaders adopted strategies that kept Portland at the center of regional trade flows. Trade with Canada was an important part of their response. Maine Historical Society (MHS) photo.

Portland, located as it was on the periphery of major United States trade flows, its proximity to the Canadian heartland was an appealing opportunity for growth.

Government and business found the money and built the line. Three weeks after the opening, Canada's Grand Trunk Railway leased the American portion, known as the Atlantic and St. Lawrence Railroad, for 999 years. Stability seemed assured. Indeed, over the next ten years Portland boomed because of the connection. Between 1850 and 1860 Portland's population increased from 21,000 to 26,000. The twenty-fifth largest city in the United States before 1853, Portland became the twenty-third. By one estimate, in 1864 alone more than 500,000 barrels of Canadian flour and 1,000,000 bushels of wheat left Canada for trans-Atlantic markets via Portland. The
transshipment business, which involved a variety of subsidiary activities such as the maintenance of grain elevators, port facilities, and commercial establishments, was a tremendous boon to the local economy.3

The impact of the new rail line demonstrated to Portland leaders that continental economic integration was the key to the city's commercial future. For J. A. Poor, the Atlantic and St. Lawrence was only a beginning. His much more daring plan for a second railroad, the European and North American, called for a line running east from Portland through New Brunswick, peninsular Nova Scotia, and perhaps Cape Breton Island, enabling travelers to shave additional days off their trans-Atlantic crossings. Given better rail links between Maine and Canada, geography could once again work to Portland's advantage.

The commercial and railroad history of Portland, however, highlights a curious inconsistency in Maine politics in the second half of the nineteenth century. Given the importance of the Canadian connection to Maine's largest urban community, one might reasonably look for strong political support in Maine for diplomatic ties binding the two nations more securely. Such support, however, was not to be found. In fact, key politicians from Maine were vocal in their opposition to the Reciprocity Treaty of 1854 and were indifferent to the possibility that its abrogation in 1866 might stimulate British North Americans into greater commercial self-reliance at Portland's expense. The Reciprocity Treaty, concluded June 5, 1854, between Secretary of State William Marcy and Lord Elgin, Governor-General of British North America, eliminated tariffs on products of farms, forests, fisheries, and mines as they crossed the boundary between British North America and the United States. It allowed United States citizens and British North Americans freer access to each other's fisheries and water arteries.4 The purpose of this article is to explain why many Maine politicians wanted an end to reciprocity in spite of its seeming importance to the state's key commercial port.
Completion of the Atlantic and St. Lawrence Railroad, linking Montreal and Portland, brought a flurry of activity to the Forest City. Construction of new shipping facilities continued to change the Portland cityscape into the twentieth century, as this early scene shows. MSH photo.

What exactly did reciprocity offer to Maine's economy? Continental economic integration unquestionably did promise benefits, and historians have argued that, directly or indirectly, abrogation in 1866 was indeed harmful to the interests of people in Maine. In particular, abrogation added fuel to the movement for Confederation, which followed less than sixteen months after the reciprocity agreements ended. Writing in 1926, railroad historian Edward Chase argued that without Confederation Canadians would not have organized the Canadian Pacific Railway, which bypassed Portland as Canada's Atlantic port. Given Portland's proximity to Montreal, Chase was convinced that on economic grounds Portland should have been the CPR's Atlantic terminus. For political reasons alone, the CPR went to Saint John, New Brunswick, instead. A later treatment of the reciprocity question pointed out that abrogation "became a decided disadvantage" to the line between
Montreal and Portland. Passports, required of anyone crossing the boundary after the St. Albans raid of November 1864, were so costly that Canadians stopped coming, and the Grand Trunk Railway was forced to cancel passenger trains. Passport requirements may have had an indirect impact on the volume of Canadian freight passing through Portland as well. Michael Sheehy, another student of Portland history, summarized that “inimical relations” between the British Empire and the United States were hardly in the interests of Portland’s development as a railroad center.

Other historians have argued at length that reciprocity was good for the entire state. Maine needed coal, which could be supplied from Nova Scotia more economically than from Pennsylvania. Wages in Nova Scotia were lower than in Pennsylvania, and Nova Scotia was closer to Maine. Local industries also needed specialty lumber, flaxseed, building stone, and fine wool that could be shipped from British North America. Maine was far from American sources of these commodities.

Such arguments were obvious at least to some in the years that saw a nationwide debate over reciprocity. In 1864-1865, John A. Poor still hoped to make Portland part of the Canadian transportation system. His European and North American Railroad, stalled for the moment at Bangor, would never reach Saint John and Halifax, he feared, without stronger continental integration. He had supported reciprocity from the beginning, and he continued to support it throughout the 1860s. At the request of Portland’s Board of Trade, Poor petitioned Congress to renew the agreement despite the St. Albans raid. An economic adviser to Republican Governor Joshua L. Chamberlain from 1867 to 1871, Poor gained support from that quarter. He and Chamberlain were political pragmatists, well aware of the benefits flowing from continental integration.10

Even opponents of reciprocity, such as Maine Senator Lot M. Morrill, admitted that Maine’s railroad interests had benefited from the treaty, although he gambled that there would be no serious setbacks after the treaty’s demise.11
The meaning of reciprocity for Maine in general was apparent in the coalition of economic groups that supported continental economic integration. Lumbermen along Maine's boundary rivers, the St. John, the Aroostook, and the St. Croix, benefited from cooperation with New Brunswick. Although the lumbermen on these rivers enjoyed special international trading privileges that predated, in some cases, the Reciprocity Treaty, they reasoned that any disruption of existing relations between the two nations could complicate their marketing situation. Shipbuilders too benefited. As early as 1854, Maine Senator William Pitt Fessenden pointed out that Maine's forests were finite, and that Canadian trees could prolong the life of the shipbuilding industry after specialty timber had been depleted in Maine. Reciprocity also permitted Maine's fishermen greater access to the fishing grounds off British North America. There were ideological arguments for reciprocity as well. Governor Chamberlain, for instance, maintained that free trade promoted economic efficiency. "It seems unwise," he said, "to cramp energy with taxes and duties."

Why, then, did so many of Maine's officeholders oppose reciprocity, despite the economic benefits it offered Portland and other sectors of the economy? The answer lies in the balance of economic forces in the state. Abrogation sentiment was
more than a simple miscalculation; Maine politicians, pressured by powerful lobbies representing major economic groups, were torn between competing economic interests in this complex and somewhat murky issue. During Maine's debate over continental integration, Portland's long-term interests were neither clearly defined nor forcefully argued, and this would have a telling effect on the city's economy by the end of the century.

Several important economic interests were at odds with Portland's business community on the issue of continental economic integration. Even though the Reciprocity Treaty provided access to rich Canadian fishing grounds, Maine's fishermen, then, as now, did not want to compete with fishermen from Nova Scotia, New Brunswick, and Newfoundland in the United States market, as required by the terms of reciprocity.16 Historians have also emphasized the importance of the lumber lobby. As far as Bangor's lumber community was concerned, reciprocity was nothing less than a recipe for unemployment.17 The Penobscot and Kennebec lumber industries suffered a setback during the years reciprocity was in effect, and it is hardly surprising that, right or wrong, lumbermen in Bangor and Augusta saw a casual connection. As late as 1870, Representative James G. Blaine successfully used the reciprocity issue to defeat Chamberlain's bid for one of Maine's Senate seats. Writing his friend Hannibal Hamlin, Blaine urged the former vice-president to remind the loggers of Penobscot County that Chamberlain, Poor's disciple, had supported the Reciprocity Treaty. Chamberlain had no chance in the State Legislature, which was heavily influenced by the lumberman's lobby.18

Shipbuilders were also opposed to reciprocity. Blaine and Frederick A. Pike, Blaine's Republican colleague in the House of Representatives, argued that Maine's shipbuilders needed tariff protection.19 Actually, competition from British-built ships was only one of a number of problems besetting American builders. Pike came from Calais on the St. Croix, where shipbuilding had been in decline since 1858, a year before
reciprocity went into effect. The hardships facing Maine's shipbuilding industry are more directly attributable to replacement of sail and wood by steam and iron, to overproduction, to investment in railroads which soaked up available capital, and to a shortage of select timber. Yet in the 1860s competition from Canada-built ships appeared to be the immediate danger.

There is evidence that from 1860 onward prominent Maine politicians from outside Portland, whether Republican or Democrat, believed that reciprocity was more beneficial to British North America than to the United States. Wyman B. S. Moor, a Democrat from Waterville who had served four terms as attorney-general of Maine and briefly as United States Senator, was consul general in Montreal during the Buchanan presidency. In that capacity he put national interests ahead of local interests. The Grand Trunk Railway, which ran from the St. Clair River across from Michigan through Montreal to Portland, he argued, was attracting domestic American traffic that properly belonged to American railroads. In Maine, the State Legislature petitioned the national government to abrogate the Reciprocity Treaty as quickly as possible. "The great interests of this state," the resolution noted, "... are injuriously affected by the present treaty." The following year, Governor Abner Coburn lauded that action and endorsed the legislature's recommendation.

Another factor that made abrogation politically acceptable was anglophobia, particularly in Bangor, at that time the state's second largest urban center. According to Edward Chase, Bangor's residents remained embittered by memories of the Aroostook War and the ensuing Webster-Ashburton Treaty, whereby lands which they thought had been Maine's were declared part of New Brunswick. Ostensibly, Bangor supported an eastward extension of the European and North American Railroad only because it would assist in the defense of the northeastern boundary.

Anglophobia was rife during and after the Civil War. Newspaper sentiment in Maine and elsewhere intimated that
The Grand Trunk terminal, alongside towering grain elevators, symbolized the importance of Canadian produce shipments for Portland’s commercial economy. Despite Portland’s strong ties to the northern country, most Maine politicians refused to support the Canadian-American Reciprocity Treaty in 1866. MSH photo.

British business interests were behind the rapid growth of the Confederate navy, which harassed Union shipping, increased shipping costs, and threatened lives. Maine, an important shipping and shipbuilding state, suffered disproportionately. The Portland Daily Advertiser and the Bangor Daily Whig and Courier, which had supported the Reciprocity Treaty in 1854, criticized British and Canadian behavior after the outbreak of the war. In 1861 the Advertiser concluded that “the past friendship of England has been mere pretense,” and warned that “thousands of her people hail with delight the prospect of our destruction.” The editor called for greater defense expenditures along the northern border. Democratic papers — Portland’s Eastern Argus and The Age of Augusta — endorsed the USS San Jacinto’s seizure of Confederate commissioners James M. Mason and John Slidell, bound for England aboard the British steamer Trent. The Republican Kennebec Journal agreed that the incident had been in accordance with international law, and suggested that the elitist British government
was consistent in supporting the Confederacy rather than the more democratic Union. The \textit{Lewiston Evening Journal} expressed similar sentiments, and the \textit{Aroostook Times}, published at Houlton near the New Brunswick border, accused Great Britain and France of showing repeated partiality to the "pirates of Jeff Davis." 

Maine's politicians responded sharply to British protests over the \textit{Trent} affair. In his annual message in January 1862, Governor Israel Washburn again called for greater defense expenditures for Portland, citing the British threat. Portland was, said Washburn, "at once the Quebec and Halifax of the United States." Also concerned about his state's inland boundaries, Washburn recalled that the 1842 Webster-Ashburton Treaty surrendered land along the northern border that facilitated the movement of British troops from Saint John to the St. Lawrence Valley. Many residents of British North America on the other side of that long boundary, he regretted, were hostile to the United States. In March 1864, the State Legislature asked the federal government "to provide proper defences for the northeastern frontier of Maine."

The St. Albans raid of November 1864 and the acquittal of the involved Confederate guerrillas seemed to confirm British North American hostility to northerners. The raid and other incidents portrayed British North Americans as either indifferent to the safety of northern U. S. citizens or outright collaborators in Confederate hostilities. When the Fenian raids took place in 1866, there was some smug satisfaction that the British North Americans were receiving a taste of their own medicine. The British record during the Civil War added pressure throughout the United States for the abrogation of reciprocity. Maine, exposed to southern raiders along its extensive coastline and to supposed British designs along its border with Canada, endorsed the national trend.

In his annual message to the Maine Legislature, delivered January 5, 1865 — barely two months after the St. Albans raid — Governor Samuel Cony, a Democrat from Augusta, noted
with satisfaction that President Abraham Lincoln had recom-
mended the abrogation of reciprocity. Maine's lumbering and
agricultural interests had suffered, the governor said. Fewer
than three weeks later, on January 23, the State Legislature
endorsed the president's recommendation by approving a reso-
lution that Maine's senators and representatives in Washing-
ton do what they could to hasten abrogation.

Before the end of January, Congress passed enabling legis-
lation for the abrogation of reciprocity. House Resolution 56
authorized President Lincoln "to give the requisite notice for
terminating the treaty." Four of Maine's five representatives —
James G. Blaine, Sidney Perham, Frederick A. Pike, and John
H. Rice — were among the eighty-five yeas. The fifth, John
Lynch of the First Congressional District, which included
Portland, was out of the House at the time of the vote. A
majority of thirty-three senators voted for abrogation, while
eight voted against, and eight abstained. Both of Maine's
senators, Nathan A. Farwell and Lot M. Morrill, expressed
opposition to reciprocity. Farwell cited the need to protect jobs
in the match industry within Maine, and sought to discourage
imports from British North America. Morrill found reciproc-
ity incompatible with "the interests of my State, with one or
two exceptions .... " He minimized the benefits to fishermen
and argued that the Portland-Montreal rail line would survive
abrogation.

During the debate over abrogation, Portland's own politi-
cians had every opportunity to make their voices heard, but
they remained curiously silent on the issue. Representative
James G. Blaine, although a resident of Augusta, had been
editor of the Portland Daily Advertiser, and no doubt knew his
readership's political inclinations. A recent biographer, H.
Otis Noyes, suggests that Blaine opposed reciprocity for ideo-
logical and personal reasons: he was an anglophobe and owned
coal fields in Pennsylvania. Yet Noyes also points out that
"Blaine never blazed a trail, or moved far ahead of his consti-
tuency. For him, no issue could be worth a crusade against the
odds." Blaine, in short, responded to a perceived consensus
within the Maine electorate, including, no doubt, his Portland Daily Advertiser readers.

Portland's own William Pitt Fessenden, senator from Maine and Lincoln's secretary of the treasury from July 1864 until March 1865, was no outspoken advocate of reciprocity. As a freshman senator in 1854 Fessenden had voted in favor of the Reciprocity Treaty on the grounds that it would be beneficial to Maine's shipbuilding industry. Yet as secretary of the treasury he was in a position to make his opinion heard in the White House, and although he was at odds with Blaine on many other issues, he made no effort to oppose Blaine on abrogation. If he disagreed with presidential policy on the matter, he kept his views to himself. The secretary, according to one historian, "supported the restrictions of Seward, putting the nation ahead of his home city."

The lack of strong support for reciprocity in Portland itself seems incongruous with the city's earlier bid for continental economic integration. Yet Portlanders were complacent. While John Lynch of the First Congressional District absented himself from the vote and Fessenden maintained his peace,
others felt confident that the railroad industry would thrive even without reciprocity.

Actually, determining the impact of reciprocity on Portland's rail traffic was not a simple matter in 1865-1866. The Reciprocity Treaty in fact had little direct effect on Portland's railroad transportation, for as early as 1845, before construction of the Atlantic and St. Lawrence had even begun, the United States Congress had passed legislation that allowed goods shipped to and from British North America to cross U. S. territory free of duty. That, combined with Great Britain's repeal of the Corn Laws the following year, had been stimulus enough for construction of the railroad, which became operational roughly a year before negotiation and implementation of the treaty. Duty-free trade entering Portland itself under reciprocal agreements accounted for only a small part of Portland's total commerce. In fiscal year 1865, total imports at Portland were valued at $7,261,324. Between July 1, 1865, and the end of Reciprocity on March 17, 1866, Falmouth and Portland combined actually imported only $144,850 in goods under the terms of the Reciprocity Treaty. This trade constituted less than 2 percent of the total volume of Portland's commerce, although the treaty was in effect for almost 80 percent of the fiscal year.

But abrogation would have much more important long-term effects on Portland. The political alternatives to reciprocity were under discussion in Ottawa even while Maine congressmen were lobbying for abrogation in Washington. On February 8, 1865, while American politicians were going through the last stages of debate over abrogation, George Brown, a leading Liberal from Canada West (now Ontario), suggested on the floor of Canada's Legislative Assembly that more than reciprocity was at stake. He warned that Canadian bonding privileges at Portland — or anywhere else in the United States — might also be insecure. Brown and others thought that if residents of the St. Lawrence Valley and of Canada West wanted year-round access to the Atlantic, they ought to build rail lines to Saint John and Halifax via a route entirely within British North America.
In fact, some Portland leaders seemed to appreciate what this meant for the city's carrying trade. When New Brunswick elected a government opposed to confederation in 1865, Portland's *Eastern Argus* was delighted. Without New Brunswick, confederation would not take place; without confederation, there would be no all-Canadian railroad. Nevertheless, confederation of four British North American provinces followed two years later, and construction of such a railroad was one of the terms of the agreement. The all-Canadian Intercolonial Railway was operational by 1876, and before the end of the century a second Canadian line, the Canadian Pacific Railway, was carrying traffic across the north of Maine from Montreal to Saint John.

In the years before abrogation, however, the possibility of a competing all-Canadian rail line probably did not loom large in Maine. Portland considered itself a key piece in the Canadian transportation system, and city leaders could not foresee the development of the Canadian Pacific Railway or the influence which politicians from Saint John would have in Ottawa, both to lure federal funds to develop their port and to persuade the Canadian government to direct the CPR toward Saint John, rather than Portland. That Portlanders could minimize the consequences of abrogation, Confederation, and an all-Canadian railway is evident from the fact that even after Confederation, and indeed after construction of the Intercolonial Railway had begun, Portland businessmen continued to pursue their strategy of rail links between Maine and Canada. The European and North American Railroad, which connected Portland, Bangor, and Saint John in 1871, involved a major grant of state lands and heavy loans from the state and the city of Bangor. The sacrifice of the state's last remaining public lands was predicated on the assumption that all-Canadian rail links to the Atlantic would not appreciably affect trade flows through Maine. During the promotional campaigns of the late 1860s, Maine politicians had been easily convinced that the publicly financed Intercolonial would never be an economically viable alternative to Portland's harbor.
Indeed, extensive traffic to and from Montreal was still passing through Portland at the turn of the century. By then, however, Portland’s commercial position as Canada’s winter port, as historian Robert Babcock pointed out in a recent article, clearly showed the effects of competition from Saint John. Babcock indicates that to some extent Portland’s situation was due to a self-conscious shift from commerce and industry to tourism as a mainstay of the local economy.50 Certainly Portland’s decline as a port cannot be attributed to abrogation alone, but just as certainly renewed tariff wars and the push for an all-Canada transportation system had a marked impact on Portland’s trade.

The inconsistencies in Maine thinking about reciprocity reflect inconsistencies in a statewide vision of the future in the mid-nineteenth century. Portland merchants apparently misread the connection between reciprocity and their view of Portland’s role in continental economic integration. Bangor lumbermen, still firm in their conviction that forest-related industries were the key to Maine’s future, were united in their opposition to continental economic integration. Although some support for reciprocity came from sectors outside Portland, Maine’s extensive resource-based industries chafed under free trade policies giving Canada access to U. S. markets.

There were good reasons for thinking that reciprocity was beneficial, politically and economically. The city of Portland, the railroad industry, consumers of coal and other raw products, shipbuilders, fishermen, and perhaps even the lumber industry in the St. John and St. Croix valleys all had something to gain from it. Other interests, particularly Bangor’s lumber industry, opposed reciprocity. Why Bangor’s views prevailed over Portland’s vision of Maine’s future is more than an economic question. It involved the role of the British North American provinces in the Civil War, Portland’s perception that it could survive, even thrive, despite abrogation and Confederation, and the particular complexion of economic and political forces within the state at mid-century. Within Maine, opponents of reciprocity were more forceful than supporters, and
despite differences of population, the perceived interests of Bangor took priority over the perceived interests of Portland.

NOTES


4For a discussion of the Reciprocity Treaty, see Donald C. Masters, The Reciprocity Treaty of 1854 (Toronto: McClelland and Stewart, 1969 [c. 1937]).

5Chase, Maine Railroads, pp. 93-95.


8Sheehy, "John Alfred Poor," p. 103.


12Aroostook Times (Houlton), March 9, 1866; Eastport Sentinel, April 25, 1866; Kennebec Reporter (Gardiner), March 16, 1866.
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14Bangor Whig and Courier, July 17, 1854.
17Ibid., pp. 15-17.
22Moor, Montreal, to Secretary of State Lewis Cass, Washington, D.C., Dispatch #4, R.G. 84, vol. 179, C8.14, Records of the State Department, National Archives, Washington, D.C.
23Laws of Maine, 1862, p. 188.
26Portland Advertiser, July 17, 1854; Bangor Whig and Courier, July 17, 1854.
27Portland Advertiser, November 20, 1861.
28The Age (Augusta), November 28, 1861; Eastern Argus (Portland), November 19, 1861.
29Bangor Whig and Courier, November 18, 1861; Kennebec Journal (Augusta), November 22, 1861; Portland Advertiser, November 19, 1861.
30Bangor Whig and Courier, November 30, 1861; Aroostook Times, December 20, 1861; January 3, 1862; Lewiston Evening Journal, November 23, 28, December 13, 16, 1861.
31Maine Public Documents, 1862, p. 11.
33Laws of Maine, 1864, p. 345.
31Bangor Whig and Courier, June 6, 1866; Eastport Sentinel, April 11, May 2, 1866.
33Journal of the House of Representatives, January 5, 1865, p. 56.
34Laws of Maine, 1865, p. 397
36Ibid., January 12, 1865, p. 234.
37Ibid., December 21, 1864, p. 96.
38Ibid., January 12, 1865, pp. 229-30.
40Ibid., p. 91.
41Jellison, Fessenden of Maine, p. 80; Fessenden, Life and Public Services of William Pitt Fessenden, I, p. 48.
47Ibid.

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