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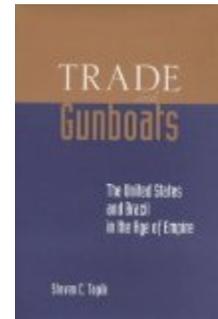
in the Humanities & Social Sciences



Steven C. Topik. *Trade and Gunboats: the United States and Brazil in the Age of Empire*. Calif.: Stanford University Press, 1996. x + 301 pp. \$55.00 (cloth), ISBN 978-0-8047-2602-3.

Reviewed by Colin M. Lewis (Department of Economic History, London School of Economics & Political Science)

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This book will be of interest to students of US domestic politics, international business, Pan-Americanism and the formative years of the First (Old) Brazilian Republic. Steven Topik uses the Blaine-Mendonca pact on trade reciprocity, signed by the US Secretary of State and the Brazilian Minister in Washington in 1891, as a peg on which to hang discussions about the business and politics of policy-making in the USA, the fragile nature of Republicanism and republican institutions in Brazil, the emergence of the inter-American system and the character of international commercial competition in South America. These themes are set within the context of the Great Depression of 1873-1896, a period of heightened trade rivalry coupled with price falls, challenges to the prevailing free trade ideology and the rise of the USA as a regional political and economic force. As recognised in the literature on US expansionism, this was a period when sectors of US business, driven by cost-reducing innovation and sluggish domestic demand growth, began to look overseas for markets. While in the USA, free trade, protectionism and reciprocity reflected sectional rivalry and became issues of party political difference that responded also to shifting approaches to international affairs and to aspirations in some quarters for an enhanced hemispheric military (or, rather, naval) presence, so radical republicans in Brazil attempted to promote closer relations with the USA in order to counter the economic dominance of Britain and continental European powers and their presumed support for a monarchical restoration.

In several respects, this book is about a relationship that might have been (or was about to be). The Blaine-Mendonca accord did not survive four years. Presented in the USA as a means of curbing European competition and opening Brazilian markets to commodity and man-

ufactured exports, Brazilian proponents argued that the pact would secure privileged access to the US market at a moment when protectionist sentiments were gaining strength. In this, US and Brazilian supporters of reciprocity were to be disappointed. Within months of the signing of the agreement, it was clear that the USA was not prepared to grant exclusive preferences to Brazil. For Brazil, the treaty was largely about sugar and the USA soon offered similar agreements to European Caribbean colonial territories. On the other hand, the positive impact of reduced duties on US exports of semi-processed commodities and manufactures into Brazil was countered by tariff hikes, exchange depreciation and the collapse of the speculative boom (the 'encilhamento') triggered by loose monetary policies that characterised the early years of the Republic.

As is shown, although Brazilian-US trade grew in the early 1890s, the rapid expansion of exports such as coffee and rubber owed more to market (and exchange) conditions than to the provisions of the pact. In a litany that will be recognised by analysts of British-Latin American trade at the end of the nineteenth century, Topik demonstrates that US exports to Brazil were constrained by structural factors such as the lack of US merchant houses specialising in Brazil, scarcity of credit, an imperfect knowledge of the market by US producers and exporters (reflected in inappropriate packaging and labelling) and limited shipping services. Only after these problems had been remedied, notably by US manufacturers and exporters establishing agencies in Brazil, would trade register secular growth. Nevertheless, reciprocity was vociferously resisted in Brazil by those who saw the declaration of the Republic as an opportunity to promote domestic industry and, accordingly, regarded tariff con-

cession to the USA as damaging to domestic manufacture.

Although the 1891 accord was the first commercial agreement to be signed by Brazil since the denunciation of a commercial treaty with Great Britain in the 1840s, what gives the pact significance is the light it sheds on US 'business imperialism' (the connection between business, state and military) and the politics of the early Republic. These are the areas where Topik makes original contributions to the literature. He offers a view of emergent industrial and commercial networks in the USA during the age of the robber barons when US-Latin American foreign policy was largely driven by a business agenda and the state virtually devolved strategic decision-making to the corporate sector. The study shows how Pan-Americanism became a business initiative. US delegations to early Pan-American conferences were staffed by businessmen, much to the surprise and annoyance of Latin American delegates and commercial matters represented the sum of US aspiration, possibly reflecting growing confidence in the hegemonic role of the USA in the region. Topik offers a wealth of detail on the complex of personal and business relations—and the links between US entrepreneurs and Brazilian diplomats and political figures—that under-pinned US commercial expansion. At the centre of this web of political intrigue and speculation was the not-so-shadowy Charles R. Flint, sometime financier, ship-builder, shipping agent, arms dealer, merchant, and trade propagandist who assembled a mercenary fleet to aid the fledgling republic threatened by the 1893 naval revolt.

Topik seeks to chart a similar course through the politics of the opening years of the Brazilian republic which were equally personal and murky. He argues that the September 1893, naval challenge to the second (military) president of the republic gave the Blaine-Mendonca treaty a momentary political significance far greater than its already fading commercial importance. It helped cement relations between the two continental republics. For Topik, US support and recognition played a critical role in securing republican institutions, facilitating

a transfer from military to civilian rule and at the same time presented an opportunity to demonstrate US military preparedness when European powers seemed little inclined to respect the Monroe Doctrine. Naval and business collusion resulted in the despatch of the US fleet to Rio de Janeiro, the largest concentration of US naval might since the Civil War, in what became a dry run for the conflict with Spain at the end of the decade and set down a marker at a time when the European powers also appeared poised to intervene in Venezuela. Acquiescence rather than support sustained the Brazilian republic during the early 1890s. Competing projects of an oligarchic, federal republic and a radical, centralised republic resulted in military rule, regional revolt and social antagonisms. Suspicious of European attitudes and resentful of the British economic presence, regimes in Rio de Janeiro welcomed US diplomatic—and the possibility of military—support.

This book is based on an imaginative use of new material, well-worked collections of printed documents and manuscripts and the US and Brazilian press of the period as well as distinct bodies of secondary literature. While some scholars will no doubt challenge Topik's views on the significance of the 1891 pact and his comments on both the importance of the tariff/reciprocity debate in US domestic politics and the role of the USA in stabilising the Brazilian republic, few would deny the range of his research and the impressive volume of detail offered to illustrate the inter-play between business and government in both countries. Inevitably, given the scope and complexity of the subject, there is some repetition in the narrative. And, the copy editor could have done a better job—accents come and go and acronyms used with greater consistency. Nevertheless, the originality of the subject and the wealth of evidence provided make for a novel approach to an episode that has received a great deal of scholarly attention but remains intriguing.

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