



Communication and empire

Media markets, power and globalization, 1860–1910¹

■ Dwayne R. Winseck and Robert M. Pike

Carleton University, Canada; Queen's University, Canada

ABSTRACT

This article focuses on the formation of the 'global media system' from 1860 to 1910. It begins with a critique of conventional knowledge in international communication and focuses on three themes: first, the rise of the global media; second, how markets, states and imperialism shaped the global media; and third, how the global media developed as a series of multinational cartels – powerful 'private structures of control' through which corporate and national foreign policy objectives were pursued. We critique the strong tendency in the literature to conflate the history of the global media with the history of imperialism and to exaggerate the extent to which *powerful nations* struggled constantly with one another to control world communication. Over and against this 'struggle for control of international communication' model our concept of empire combines classical theories of imperialism with one of *capitalist imperialism*. Within this context, the global media evolved as part of a project of creating a worldwide system of accumulation and modernization. Lastly, we show that the global media – in terms of ownership, alliances, corporate identity, international and national laws, views of modernization and imperial strategy – were more global and organized as a *system* than is often assumed.

KEY WORDS

cables ■ empire ■ global media cartels ■ global media system ■ globalization
■ international communication

Introduction and critique of 'conventional knowledge'

This article presents some of the key themes and arguments from our recently completed study of global media history, circa 1860–1930, an era that numerous scholars now see as having many commonalities with, and being the closest predecessor of, our own times (e.g. Held et al., 1999; O'Rourke and Williamson, 1999; Jones, 2005)². However, instead of trying to cover the entire range of issues covered in that study, we

focus on the formative years of the 'global media system' from 1860 to 1910. We begin with a critique of conventional knowledge in international communication and then focus on three key themes: first, the rise of the global media system, which consisted of a worldwide network of submarine cables, domestic telegraph systems, global news agencies and the commercial press within countries; second, how markets, states and imperialism shaped the global media; and third, how the global media developed as a series of cartels, institutions that were deeply multinational in nature and which we call, drawing on the work of business and foreign policy historian Michael Hogan (1977), 'private structures of control'.

Our main criticism is aimed at the strong tendency in the current literature to conflate the history of the global media with the history of imperialism and to exaggerate the extent to which *powerful nations*, especially Britain and the US, struggled constantly with one another for control of world communication (Shreiner, 1924; Sharp, 1927; Kennedy, 1971; Tulchill, 1971; Headrick, 1991; Mattelart, 1994; Hills, 2002; Nickles, 2003). One reason for this appears to be that existing studies tend to rely uncritically on a body of secondary literature that reads the conflict of the First World War back into the past and interprets what followed in the tradition of hagiographic celebrations or denunciations of national leaders and the foreign policies of particular nations.³ The problem is compounded by those who wish to denounce rather than *critically assess* US imperialism, with the ascent of American interests in the global media system thoroughly couched in the struggle for control model, as if Britain and the US were pitted wholly against one another, with corporate actors at their beck and call, in a struggle for global hegemony. The 'struggle for control of global communication' model also draws on limited aspects of imperialism, namely those which fit what David Harvey defines as *territorial imperialism*, a 'distinctly political project . . . based in the command of territory and . . . the strategies . . . used by a state . . . to assert its interests and achieve its goals in the world at large' (2003: 26). While such processes were crucial, they were aimed mainly at 'weak states' in Africa, the Caribbean and Asia that were seen by the imperial powers as congenitally incapable of sustaining stable markets or legitimate authority over the territory and people within their jurisdiction. The communications media in this context largely served, in Daniel Headrick's (1991) words, as 'weapons of politics'.

In their seminal article, 'The Imperialism of Free Trade', John Gallagher and Ronald Robinson argued that the problem with this view is that it is like 'judging the size and character of icebergs solely from the

parts above the water-line' (1953: 1). We agree and believe that such views need to be supplemented by another that sees nation-states acting, singly and in combination, to create a global system. To do so we rely on a *structuralist view of the global system*⁴ and Harvey's concept of *capitalist imperialism*, in contrast to the *realist approach to international relations* and 'territorial imperialism' which underpin the 'struggle for control' model. Harvey defines *capitalist imperialism* as a shared system of capital accumulation and power that aims to create worldwide conditions which allow 'economic power to flow across and through continuous space', where uniform models of development are emulated and consent preferred to coercion (2003: 26). Harvey's view also resonates strongly with what Charles Conant (1898) – one-time head of the US Treasury and sympathetic theorist of American Empire at the turn of the 20th century – called 'capitalist investment imperialism', which he defined as having:

brought with it colossal and rapid upheavals in the host lands and in world politics, unprecedented in human history. Investment imperialism required extending capitalist (or modern) property relations, and the appropriate sociopolitical environment for capitalist property relations, into non-capitalist societies. It required 'modernizing' the host government's fiscal, budgetary, and taxation systems, the host societies' laws; the host societies' class structure in the direction of the commoditization of land and the creation of a wage-earning working class. It required the introduction and spread of secular and instrumental modes of consciousness at the expense of religions and traditionalist modes, through the institutions of education, media of communication, and otherwise. (as paraphrased in Sklar, 1988: 81)

In this context, the evolution of global communication was entwined with the ambitious goal of creating a worldwide system of accumulation and modernization, at least in the terms adopted by those at the centre of this system. The means of communication within this context were, first and foremost, organized as a business – indeed, as some of the biggest multinational firms of their time – and provided the informational foundations of global capitalism. In terms of ownership, alliances, corporate identity, international law, national policies, views of modernization and even imperial strategy, the media of this era were more global and organized as a *system* than is often assumed. In our view, this perspective best explains the global media business in the lucrative markets linking Europe to North America. It also best illuminates the relationship between China, the Ottoman Empire, Persia and the post-imperial nation-states of South America, and the global media system during the late 19th and early 20th centuries. Together, it

is this mix of classical and *capitalist imperialism* that we refer to through the concept of Empire.

In the end, our analysis is directed at media historians, but it is relevant to other disciplines given the tendency of historians to overlook the role of communications media in the era covered here. Some recent studies do offer summary sketches of the history of international communication, but typically rely on the literature that we critique to do so (e.g. Castell, 1996; Herman and McChesney, 1997; Held et al., 1999). Consequently, weaknesses in international communications historiography are shaping the understanding of our own times and spilling into other disciplines. If this is so, then recasting how we think about global media history becomes all the more urgent.

The evolution of the global media system and the empire of capital

The global media system took shape in the last half of the 19th century as key players from the telegraph industry – e.g. John Pender, the world's most important telegraph and cable mogul and long-reigning head of the Eastern Telegraph Company, from Britain, William Siemens from Germany, C.F. Tietgen and Henrik Erichsen of Denmark, Gordon Bennett, Cyrus Field and Jay Gould from the US, and a tight-knit coterie of other figures – parlayed their domestic experience into positions at the apex of the global media system. As they did, they also, at least initially, forged strong ties with news agencies and the press. Indeed, the global news agencies and commercial press relied heavily on the telegraphs and cables and were some of the earliest investors in them. Julius Reuter, for instance, was not just the founder of the news agency bearing his name, but an investor in some of the biggest ventures to 'wire the world' (e.g. the French Atlantic Cable Company, the Indo-European Telegraph Company and part of a failed bid to create a telegraph and cable system linking Europe to the Far East via Russia). He was also for a brief period in the 1870s a director at the Globe Telegraph and Trust Company, an agency that audaciously, but ultimately unsuccessfully, strove to bring the world's cable system under unified administration and control. After briefly contemplating the sale of his news agency to the Globe Telegraph and Trust Company in 1874, however, Reuter left the cable and telegraph business altogether to focus on creating news bureaus in important world cities soon after they were tied into the rapidly expanding cable system, as in Bombay (1870), Hong Kong (1872), Shanghai (1873) and Buenos Aires (1874) (GTTC, 1873: 211; GTTC, 1874; Read, 1992: 50–8). Two New

York capitalists and press barons during the 1880s, Gordon Bennett, who owned the largest circulating newspaper in the US, the *New York Herald*, and Jay Gould, owner of the *New York World* after 1888, controlled the Commercial Cable Company and Western Union, respectively. Before that, Cyrus Field, the most dynamic American investor in the trans-Atlantic cables and in ventures in the Caribbean, had also established himself as a leading New York printer and businessman.

These links revolutionized the daily press and news agency operations. Almost everywhere they reached, the transcontinental cables, interlinked with urban and national telegraphs, affected the competitive landscape of the nascent mass commercial press. As Peter Putnis (1998) has shown, press rivalry in Australia and New Zealand turned on connections to the worldwide cable system, and on exclusionary contracts between domestic news agencies in both countries and Reuters, the world's largest news agency. Likewise, the advent of wealthy papers such as *La Nacion* and *La Prensa* in Buenos Aires, Argentina, in the 1860s and 1870s offered new markets for the cable companies and news agencies. Competition among the South American press also played a vital role in attempts during the First World War to realign the balance of power between the American and European news agencies in the region (Boyd-Barrett and Rantanen, 1998; Desbordes, 2004). Much the same was true in Egypt, as noted Middle East historian Juan Ricardo Cole indicates:

the founding of private newspapers . . . occurred simultaneously with the extreme speed of telegraph lines – new politics and political journalism grew together. By the 1860s, telegraph services allowed reception of international news through the wire services, and Ottoman and European newspapers could easily be shipped to Alexandria and taken . . . to Cairo and the interior. (1993: 110)

Obviously, global news flows mixed extensively with regional ones as well. And nowhere was this more evident than in the 'treaty ports', or city-states, of Shanghai, Hong Kong, Tianjin and Xiamen arrayed along China's vast coast, where the arrival of cable networks and telegraphs in the 1870s paved the way for a new era of journalism and press history. Indeed, Shanghai was so important to Reuters that it made the city the base of its Far Eastern operations after 1871 (Wagner, 1995: 432; Vittinghoff, 2002: 92–3).

At the same time, charges that the cable and telegraph firms, news agencies and the press had colluded to create news monopolies were investigated and found to have a great deal of merit by government-appointed inquiries in Australia, Britain, Canada, New Zealand and the US between the 1880s and 1910 (Australia, 1909; Putnis, 1998; Winseck,

1998). Over time, however, even the press and news agencies emerged as strident critics of cable monopolies and cartels, especially once wireless communication (radio) emerged as an alternative distribution network by the 1920s. For the most part, news organizations were indifferent to whether their services were carried over the wires or through the air (so long as service was affordable, reliable and available wherever news was gathered and distributed) (Public Records Office (UK), 1921a; United States, 1921).

Universal communications: the precarious bonds of commerce and civilization

Whether in the well-developed economies of the trans-Atlantic region or cities scattered along the outlying tentacles of the global media system, these trends were part of broad-reaching cultural changes as well. In China they intersected with the rising influence of modernizing forces (*zhiqiang yundong*) in business, politics, science and technology from the 1860s and became more diverse and progressive as the 'New China' reformers (*Wuxu*) gained influence after the 1890s. The latter's slogan, 'Mr Science, Mr Democracy', expressed a strong current in modern Chinese cultural politics that persisted until, roughly, 1920. Leading reformers such as Kang Youwei and Liang Qichao explicitly drew a line between trends in world communication and their efforts to create a 'new journalism' befitting their attempts to build a 'New China', and a universalistic, indeed, globalist creed (*Da Tong Shu*, or the Great Community). The vast expansion in cable connections between China and the rest of the world just after the turn of the century also allowed more affordable, speedy and reliable news to flow into the country and underpinned a huge leap in the number of newspapers published in China; from 200 in 1905 to 800 in 1920 (Kang Youwei, 1898/1935; PRO, 1921b; Furth, 2002: 23; Vittinghoff, 2002: 7).

In the established imperial powers 'visionary imperialists' such as the Canadian Sir Sandford Fleming offered some of the most utopian views of communications ever penned. In a series of essays, *To the Citizens of the Empire*, for instance, Fleming (1907) chided the monopolistic private cable companies for maintaining prohibitively high rates, whilst calling on governments of the British Empire to establish:

an unbroken chain of state-owned cables connecting the self-governing British communities in both hemispheres. It is believed most thoroughly that the proposal will eventually be consummated, and that by bringing the several governmental units, now separated by great oceans, into one friendly

neighborhood, electrically and telegraphically, results will follow of the most satisfactory character, – commerce will be quickened, the ties of sympathy will be made more effective, the bonds of sentiment will become more enduring, and by this means, unity, strength and permanence will be assured to the family of nations constituting the Empire. (Fleming, 1907)

And in the nascent American Empire, others, such as the Third Secretary of State Ernest Power, offered a progressivist view of imperialism that was wholly consistent with trends prevalent in the US at the time. Power (1919) chastised ‘the iniquities of the financially highly selfish cable combinations’ and called for a ‘universal review of the situation’ as part and parcel of efforts to create what he called ‘a democratic world empire’ (1919: 42–3). Power’s comments were made after the First World War, and thus fall beyond the period covered here, but they still reveal the ubiquitous cultural sensibility of the era which saw the global media as fundamental to all aspects of making, or in this case, rebuilding, the ‘modern world system’ of the late 19th and early 20th centuries.

The global media also created the informational underpinnings of global capitalism. Even at the outset of the era, as noted by *The Times* (London) (1869), ‘the most popular outlet now for commercial enterprise is to be found in the construction of submarine lines of telegraph’. Indeed, the new means of communication were critical parts of often audacious development projects throughout Europe, North and South America, parts of the Middle East and Asia, alongside railroads, ports, trams, lighting systems, electricity grids, hospitals and other capital intensive public projects. The firms behind the global media were also, as business historian Alfred Chandler (1990) notes, some of the largest multinational firms of their times, with the British-based Eastern Telegraph Company standing as the Microsoft of its age. The telegraph and cables were also, in the view of Colonel Holviev, the Secretary of Lloyds of London, ‘increasing the *information component of business transactions* and providing business with knowledge about markets before they enter them’ (Pacific Cable Committee, 1899: 156, emphasis added). The aforementioned Conant also argued that high-speed communications were:

accelerating the pace and enlarging the size of transactions, extending and intensifying competition, and facilitating the operation of industry on an increasingly larger scale . . . As capitalism integrates national markets into a world market, business cycles tend to become global and national cycles tend toward synchronization. (quoted in Sklar, 1988: 63–4)

Yet, Conant, and others, also saw faster, more universal communications as a double-edged sword, one that simultaneously synchronized markets whilst magnifying and diffusing their volatility, contributing to the

worldwide economic crises of 1873, 1890 and 1929. Likewise, the Council of Foreign Bondholders – a British-based agency representing international investors – picked up on this point when it lambasted Reuters in a series of articles in *The Times* (London) for what it saw as shoddy financial news reporting in South America which had, so the Council claimed, helped foment the crisis of 1873 (Council of Foreign Bondholders, 1873: 25, 42, 58; *The Times*, 1875: 6b; Kindleberger, 1978).

Beyond these views, there was also a group of influential international legal scholars, especially those at the European-based Institute of International Law. In their view, greater technological and economic interdependence required a corresponding body of international law and multilateral political agencies to deepen integration and to manage the crisis tendencies that were endemic to the 'world system'. The Institute of International Law is especially noteworthy because it played a lead role in creating the International Telegraph Union (1865) – the world's first multilateral agency. While the US initially did not join the ITU, American legal scholars and diplomats joined others from South America, Turkey and parts of Asia to play an active role in the international law movement and to participate in ITU conferences. Although US investment and expertise in the global communications and media business was limited until the 1880s (and only developed significantly in Latin America and Asia after the 1910s), Secretary of State Hamilton Fish outlined the country's first global communication policy in a 1869 memo circulated to 23 governments, stating: 'The United States' . . . central position in the communications of the world entitled us to initiate this movement for the common benefit of the commerce and civilization of all' (1869: 475–6). The memo was certainly filled with hubris, yet it staked out principles – the importance of communication for peace amongst nations, the need for global network security, the need for communication and news agencies to have direct access to foreign markets in return for similar privileges in the US (reciprocity) – that have been core aspects of US policy ever since. These principles also set a standard against which future US policies and those of others could be measured. Although these principles were often left dormant or applied in hypocritical ways, they were seen by Louis Renault and Tobias Asser – the French and Dutch doyens of international law and members of the Institute of International Law – as being '*très compréhensive*' in scope and spirit.⁵ Renault and Asser also wrote some of the early ITU conventions and regulations and, as an aside, each received the Nobel Peace Prize, in 1907 and 1911 respectively, for their work on the development of international law (Koskenniemi, 2002: 12–17, 105–6, 274–8).

State-owned cables and the new imperialism

Of course, governments also believed that the new means of communication and news influenced markets, foreign policy and public opinion. By the 1890s, at the height of the 'new imperialism', this led to more forceful forms of intervention, as highlighted in a 1901 lecture to the US Naval College by the military historian George Wilson:

Originally planned with a view to financial returns to the constructing companies, recent lay outs have been with a view to military and strategic usefulness . . . This policy of construction on imperialist instead of commercial grounds has arisen mainly within the last ten years . . . This has aroused the liveliest debate in France . . . Germany feels the necessity of meeting Great Britain by lines of cable defense . . . Propositions for new Pacific Ocean cables under national control of the respective powers have recently been made in Great Britain and in the US. Both Governments seem inclined to support these cables with ample subsidies, if not to undertake them directly. (1901: 7–8)

The development of state-owned cables peaked at the height of the new imperialism from 1895 to 1910. Britain's return to subsidizing private cable companies after four decades of an official stance against such aid, alongside the elevated role for subsidies and more coherent international and imperial communication policies in France and Germany, coincided with what the sympathetic chronicler of the British Empire, Niall Ferguson, refers to as 'the scrambling of Africa' (2003: 223). Indeed, there was greater state intervention by all of the 'great powers', including Japan and the US, with the latter, for the first time, holding protracted Congressional debates to decide whether private- or state-owned cable systems would provide the electronic bonds of an ascendant American Empire after 1898. All in all, the era saw over 90 per cent of Africa and large swathes of Asia and the Caribbean either fall or remain firmly under the sway of imperial states as well as a rise in the number of such states, particularly the US, Germany and Japan; while the Spanish, Portuguese, Ottoman, Persian and Chinese Empires continued their long-term decline.

While all the imperial powers strove to preserve or enlarge their position in the system of world communication, many of the zones of formal empire, whether in regions controlled by Britain, France or later Germany, Japan and the US, were among the least connected, worst served places on the planet.⁶ In Africa, the Caribbean and Southeast Asia, poor technology, a lack of security and a tangled body of subsidies stood as evidence of feeble imperial communication policies. To take just one case, cable and telegraph networks only encircled the African

continent in the 1880s, well after the push by British and European telegraph and cable systems into the Middle East and India nearly two decades earlier. Even then, the electronic noose around Africa was finished only once the thrust of imperialism gained a huge boost by red-hot economic growth in South America, for which the west coast of Africa served as an intermediary node in the cable systems that connected those markets to Europe. The adoption of a collaborative model of empire by 14 countries in 1884/85 – a set of rules by which the imperial powers agreed to carve up Africa (although couched in the language of developmental humanitarianism) – added additional momentum.⁷

The collaborative aspects of empire could also be seen in the fact that all of the imperial powers in Africa relied upon three affiliates of Britain's largest cable conglomerate – the Eastern Telegraph Company (hereafter the Eastern Company). These affiliates, in turn, received subsidies not just from Britain, but from France, Germany, Spain and Portugal from the early 1880s until just after the turn of the century.⁸ There were, of course, episodic bouts of conflict between, for example, Britain and France during the Fashoda Incident (1899), Britain and Germany during the Boer War (1899–1902) and between France and Germany over Morocco (1908).⁹ And as a consequence of such tensions, Germany and France did strive for more autonomy in international and imperial communication. That desire was partially realized as the South American Cable Company (owned by the Eastern Company through an opaque set of relationships) was transferred to the French Post and Telegraph Authority (1902) and as the German-based South American Telegraph Company (1911) opened a cable between Europe and South America with links to the west coast of Africa. However, the two firms gained access to South America and Africa only after allying with affiliates of the Eastern Company.

In sum, there is no doubt that subsidies and inter-imperial tensions reflected the new imperialism after the 1880s; however, conventional accounts obscure the vital role played by private agencies in managing markets and conflict as well as the collaborative character of imperialism. The greater role for state-owned cables and imperial policies took place well after the worldwide system of cables was in place and, even at their highpoint in 1910, less than 20 per cent of the global cable system was state-owned. Furthermore, state-owned cables supplemented rather than competed with the privately owned system by extending communication networks for reasons of national security and imperial strategy to areas which the private companies ignored because of their lack of

commercial value. Indeed, it was British policy that the state should not compete with the private sector in global markets, and the only real deviation from that stance was the creation, in the teeth of staunch opposition from the Eastern Company, of Pacific Cable in 1902 by the British, Canadian, Australian and New Zealand Governments (although later rivalry between the British Government Post Office and Marconi with respect to wireless services muddled the policy greatly).

Global media cartels

Cartels were a prominent feature of the global media system from its inception until the 1930s. Membership in them cut deeply across national lines and they were critical to the organization and management of media markets and the foreign policy objectives of nation-states. The ring circle agreement of 1869, for example, created a global news cartel consisting of Reuters, Havas and Wolff (revised in 1893 to include the Associated Press). Cable companies also formed cartels throughout the world in the 1870s. The big four wireless firms – Marconi, Compagnie Générale de Télégraphie sans Fil (TSF), RCA and Telefunken – adopted the same methods immediately after the First World War. Foreign policy and business historian Michael Hogan (1977) calls these cartels ‘private structures of co-operation’, agencies that were critical to managing markets and the foreign policy aims of the nations that stood behind the firms comprising them. Although Hogan focuses on Anglo-American relations after 1918, these institutions arose far earlier and involved more European and other interests than even he suggests. Indeed, cartels were used to cultivate markets and to bring the ‘weak states’ of the Ottoman Empire, Persia, South America and China into the global media system and increasingly under the sway of modern capitalist imperialism. The weight of corporate interests in this system, and the fact that state-owned cables were fitted into the cartels, regardless of nationality (at least prior to the First World War), reveals how capitalist imperialism shaped the world system and the place of the global media within it.

The Euro-American cable cartel

The world’s most lucrative communications market came into being when the aptly named Anglo-American Telegraph Company switched on its two new cables linking London to New York in 1866. The company was first and foremost a creature of British capital, technology

and people, but its success also turned on American and Canadian investors who were closely allied with Western Union – the huge continental network of which was crucial to the Anglo-American Company's success. The burgeoning trans-Atlantic economy and the Anglo-American Company's huge profits quickly attracted a steady stream of would-be rivals. However, one by one they were acquired by the Anglo-American Company (the French Atlantic Cable Company and Direct US Cable Company in 1873 and 1876, respectively) or joined the cartel which it had created (the Compagnie Française du Télégraphe de Paris à New York and Western Union joined in 1879 and 1882, respectively) (DUS v. AATC, 1874: 3–10, 57–67; Cable and Wireless Archives [CWA], 1880, 1882a: 20, 1882b: 3–4; Cookson, 1999: 96–100).

However, the Anglo-American Company's grip on the northern Atlantic market began to slip even as the cartel it controlled grew larger. This was evident as Western Union used its leverage over access to North American communications to set its own terms for participation in the cartel when it entered the trans-Atlantic cable market in 1882 (CWA, 1882a: 20, 1882b: 3–4). This leverage was also a harbinger of changes to come three decades later when Western Union gained control of the Anglo-American Company in 1912, with the blessing of the British Government – albeit in return for a modicum of control over the company's rates (PRO, 1916).

The rise of the Commercial Cable Company in 1888 also illustrates the extent to which cartelization came to rule the cable business. Although the US-based company refused to join the old cartel, it did agree to fix rates at 25 cents per word after a brutal rate war. More importantly, the company formed a rival cartel that was even more cosmopolitan than the first. By the early 1890s, the Compagnie Française du Télégraphe de Paris à New York had abandoned the old cartel in favour of joining a new Commercial Company-led cartel. That alliance was fortified by the end of the decade with the inclusion of the German Atlantic Telegraph Company, owned by the firm of Felten and Guillaume. The German Atlantic Telegraph Company was also significant because it only entered the new alliance after rejecting the obstreperous tactics of the British Government, which stood four-square behind the old cartel. The British Government's policy was ostensibly designed to prevent 'ruinous competition' and defend London's status as *the* hub of world communications, but it was even more so a thinly veiled defence of the Anglo-American Company. However, even the cable baron John Pender knew that such tactics were short-sighted and doomed to fail. Pender was right. Instead of being bound by the dictates

of British policy, the German Atlantic Company joined the Commercial Company-led cartel, thereby bypassing London and the Anglo-American Company altogether (Pacific Cable Committee, 1899: 81; National Archives of Canada, 1900; Britain, 1902b: 48–53, 150; US, 1921: 202–10). The case reveals the sharpening politics of global communication, but it also reveals that the cartels had become thoroughly enmeshed in the pursuit of national interests. Both cartels changed dramatically in 1912 and during the First World War, but they continued to dominate the trans-Atlantic market for the first three decades of the 20th century.

The Indo-European cartel

The details of these cases are unique, but they contained many of the same interests that shaped all of the world's main markets. Communications between Europe and India, for instance, were established by a consortium of British, European, Turkish and Persian companies in 1865, followed by the Eastern Company's cables to India in 1870. For the next eight years, the company competed with the old consortium, which consisted of the Indo-European Telegraph Department (an arm of the India Office's Telegraphs), the Indo-European Telegraph Company (owned by Charles Siemens of Germany and Julius Reuter, with German and Russian-appointed directors), the Persian Telegraph Agency and the Ottoman Empire's Central Telegraph Administration. The consortium initially tried to obstruct the Eastern Company, but was forced to defend their monopoly before largely giving up to join the cartel organized by the Eastern Company in 1878 (Wardl, 1897a: 1).

Far from passive victims of European imperialism, the Ottoman Empire and Persia sought foreign finance and technology to bolster their efforts to modernize their economies, bureaucracies and infrastructures, including railroads and transportation, ports, hospitals and education systems and, of course, telegraphs with connections to Europe and the rest of the world. These activities were shaped in the Ottoman Empire by an ascendant group of technocratic modernizers (the Tanzimat movement) and by another that held a much broader view of modernity (the Young Turks), while traditionalists continued to recoil from the forces of change altogether (Findley, 1980; Kedourie, 1992; Bektas, 2001: 69–71). Similar dynamics existed in Persia, where the initially progressive Shah Nasir Al-din (1848–96) and Persia's Foreign Affairs Minister, Mirza Ja'afar Khan – who was keenly interested in new technology and Western approaches to constitutional government – enthusiastically entertained British proposals to construct a cable and telegraph system that would

link Persia to India, the Ottoman Empire, Russia and Europe. The Ottoman Empire announced plans to build a national telegraph system linking Istanbul to Basra in 1857, but that plan was only finished eight years later after Britain contributed financing, technology and engineers. In 1861, Britain and Persia began discussing a new line to be built with British funds and operated under British supervision between the Persian Gulf cables and from there to Tehran and to Khanakin, near the border of Persia and the Ottoman Empire. The plan floundered on issues of network security and when formal control would pass from Britain to Persia, but Persia's threats to build its own telegraph system instigated a new attitude in Britain and an agreement was accepted in early 1863 (British Parliamentary Papers [BPP], 1864: 2, 1864 and 1865: 5; Wardl, 1897b: 33; Kedourie, 1992: 83).

The Indo-European communication system opened in January 1865, with a line from Tehran to Russia having been established a few months earlier. The Indo-European Telegraph Company's line from London to Tehran, via Russia, was added in 1870, but the accomplishment was bitter-sweet. Service was poor and some of the sections, as one observer noted, were 'crude, very crude' (Wardl, 1897b: 38). The time for messages between Britain and India dropped considerably, but those via Tehran to London still took 6 days, 9 hours; over the Persian line via Moscow it was worse at 10 days, 9 hours and 34 minutes. Even messages over the comparatively quick Turkish route took 5 days, 8 hours and 50 minutes. At \$25 per 20-word message, communication was also luxuriously expensive (Wardl, 1897b: 38–9).

Three things ultimately undermined these collaborative projects of empire. First, between 1868 and 1892 a series of new deals between an increasingly corrupt Nasir Al-din and duplicitous British officials resulted in control over the entire Persian telegraph system being effectively ceded to Britain until 1925 (BPP, 1872 and 1873, 1892). Second, the Eastern Company built new cables to India in 1870 which competed aggressively against the Indo-European system. Third, by 1878, competition had led all except the Ottoman Telegraph Administration to join a new cartel under the Eastern Company's direction. Consequently, as one observer noted, the existing difficulties of the Turkish line were 'intensified immediately as it at once became the interest of the Indian administration to divert traffic to the lines of its partners' (Wardl, 1897a: 10). Within a decade and a half the Ottoman lines were decimated as the share of the other cartel members – the Eastern Company, the Indo-European Company and the Indo-European Department – grew from 80 per cent to almost 99 per cent. Whereas efforts between Britain and, to a

lesser extent, other European interests, on one side, and the Ottoman Empire and Persia, on the other, had initially aided in the development of the latter's telegraph systems, they were now complicit in their destruction.

The South American cartel

Similar patterns prevailed in the post-imperial nation-states of South America. By the late 1860s a tangled clot of concessions for international cable links had been amassed by some of the most renowned figures of their time, such as French engineering guru Ferdinand de Lesseps, Spanish Engineering Corps head Arturo Marcoartu and British cable engineer Charles Tilston Bright. Working together with prominent South Americans such as the financier Baron Mau in Brazil, the Lamas brothers in Uruguay and the Soldan family in Peru, these cable promoters laid out grandiose visions of South American countries taking their rightful place in the world of nations (US, 1921: 39–91; Berthold, 1924: 12; Ahvenainen, 2004). Elements of the South American press also celebrated the potential of new communication technology to aid in the building of modern nation-states, as could be seen in the *Daily Standard* of Buenos Aires' tribute to the opening of the Transandine Telegraph Company telegraph between Chile and Argentina in 1872:

Twenty years ago it was in its infancy, and now it forms . . . the nervous system of the universe . . . This electric fluid that comes not from below, but from above, that is so ethereal, so spiritual, and that now binds together the two great republics of South America . . . is a sure prophecy of the greatness and glory that are coming, in the near future. (Foreign Relations of the United States, 1872: 42–3)

The tangled mess of cable concessions seemed to have been sorted out by 1873 when Pender's Eastern Company emerged with exclusive concessions of between 25 and 60 years throughout the continent. In each market that the company entered the aim was to gain exclusive concessions, create a cartel and build ties to the local elite. Before the first cable between Europe and Brazil was even laid in 1874, Pender took steps to avoid the prospect of competition by joining forces with several Danish (C.F. Tietgen and Henrik Erichsen) and British investors (Charles Heughes and Hooper's Telegraph Company) who had created a potential rival: the Western and Brazilian Telegraph Company. The new alliance divided the Atlantic coast of South America, reserved the link between Europe and South America for Pender's firms, fixed rates, and spelt out the division of revenues that would go to each group (Ahvenainen, 2004: 45–67).

Later, companies that were willing to co-operate were admitted to the cartel; those that were not were frozen out by Pender's monopolistic concessions. This was visible with the rise of the US-based Central and South American Telegraph Company (owned by Civil-War veteran James Scrymser) in the early 1880s. The new company initially allied itself with another branch of Pender's complex corporate empire – the West Coast of America Company – before entering markets along the Pacific coast of South America, while foregoing direct access to Chile and the lucrative markets of Argentina, Uruguay and Brazil on the Atlantic side. Over the next decade, however, the constraints of the cartel became intolerable and in 1892 Scrymser broke free in a bid to gain direct access to markets which had been previously closed to him. Thereafter, the Central and South American Company laid new cables from Lima, Peru to Santiago, Chile (1893) and gained a link from there to Buenos Aires by acquiring the Transandine Telegraph Company. Scrymser also cut deals with two smaller companies (the River Plate Telegraph & Telephone Company and the Oriental Telegraph Company) for access to a handful of cities in Uruguay, notably Montevideo, and to Buenos Aires – the heart of the South American economy. The changes helped to reduce rates, improve service and pave the way for early forays by the American press, notably by Gordon Bennett's *New York Herald*, into South America. Pender appealed to Scrymser to rejoin the cartel, but was rebuffed (Western Telegraph Company, 1909–13: 110; US, 1921: 89–91; Berthold, 1925: 3–4, 18; Ahvenainen, 2004: 158, 189).

Although the cartel between Pender and the Western and Brazilian Company dominated the most lucrative markets in South America, it was fraught with tensions from the beginning. Indeed, the alliance broke down altogether in the 1890s and, under a mountain of debt and facing intense antagonism from cable users and governments alike, the Western and Brazilian Company was absorbed into the Eastern Company's corporate empire. The subsequent amalgamation of all that firm's South American affiliates in 1899 created a continental colossus: the Western Telegraph Company. Opposition to the original monopolistic concessions, however, continued. Moreover, the fact that the foreign-owned cables between major coastal cities rivalled and consequently, some felt, undermined domestic telegraph systems, girded the growing momentum for communications reform. Argentina, Brazil, Chile, Uruguay and Venezuela adopted two measures towards such ends: the expansion of state-owned telegraph systems and the liberalization of access to international cable markets (Britain, 1902a, Appendix G: 69–71; Berthold, 1925: 10; Ahvenainen, 2004: 166–70).

This push to liberalize access coincided with the rapid growth of French and German investment in the region by the turn of the century (Feis, 1934: 14, 51, 71; O'Rourke and Williamson, 1999: 211, 229). A slew of French and German entrepreneurs quickly tendered proposals for new cables – some in partnership with the owners of the venerable *La Prensa* newspaper of Buenos Aires – that would compete against the Western Company. However, most of these ventures came to naught. Those that remained opted to join the existing cartel rather than compete. The first to enter the scene was the South American Cable Company in 1891, another obscure branch of Pender's Byzantine corporate empire, but it was then sold to the French Post and Telegraph Authority in 1902. As usual, rates were harmonized, revenues divided and an informal détente substituted for rivalry – an outcome all the more remarkable given that the British-based Western Company was privately owned and the South American Company was owned by the French Government. The cartel was once again enlarged in 1910 to admit the South American Telegraph Company, a private German firm owned by Felten and Guillaume (PRO, 1891; Ahvenainen, 2004: 282–7, 316–21). While there was an obvious desire for greater autonomy by France and Germany, it is equally clear that they pursued their interests through the private structures of co-operation that were now so firmly entrenched in the global communication business. Only Scrymser's Central and South American Company remained outside the fold, a fact that ultimately led in the 1910s to an intense moment in the politics of global communication – although hardly along the lines assumed by the 'struggle for control' model.

The Asian cable cartel

The last example involves the Asian communications market, which consisted of Japan, China, Hong Kong, Korea and the Philippines and which was integrated into the world cable system between 1870 and 1876. The lead players were again Pender's Eastern Company as well as another arm of Tietgen and Erichsen's corporate empire: the Great Northern Telegraph Company. Similar to South America, before the first cable was laid, and with a 25-year monopoly granted by the Chinese Government in hand, Pender struck a deal with his Danish counterparts. They divided the market into mutually exclusive zones, with all points north of Shanghai falling to the Great Northern Company and everything south of Hong Kong reserved for affiliates of the Eastern Company; in the lucrative Shanghai-Hong Kong market, they split their

revenue, operated jointly owned offices and shared employees (CWA, 1870, 1873).

Nonetheless, the alliance between the two firms – just as in South America – could barely conceal the tensions between them. The root of the problem lay in the fact that the deal between Pender and Tietgen violated the agreement with the Chinese Government. The transfer of the concession to the Great Northern Company was one such irritant. The fact that the Great Northern Company smuggled its first cable directly into the city of Shanghai in 1870 under cover of darkness and with the aid of the French military, rather than keeping them tied offshore as the licence required, was another. And where the Chinese anticipated one cable to Shanghai, a second was laid to Xiamen in 1873. Most irksome to the Zongli Yamen – the Secretary of State for Foreign Affairs – was the fact that the Danish company began playing the more commercially open city-states of southern China off against the Government in Beijing. Thus, after bringing the Shanghai and Xiamen cables ashore, they were linked to a clandestine network of urban telegraph lines in both cities, mostly in the commercial districts and residential enclaves where foreigners lived. Indeed, between 1870 and 1874, the company built several urban telegraph systems, with a vision of ultimately building a national system between major Chinese cities. While the English-language press and foreign merchants celebrated these advances, even the head of Denmark's legation in Beijing, J. Hegerman Lindencrone, confided to US Secretary of State Hamilton Fish, that the firm did not have 'official authorization to lay cables along the coasts of China, and to establish lines and stations in the . . . Chinese ports, [although] local authorities have . . . tacitly recognized that the operations of the company are authorized' (FRUS, 1874a: 378).

In addition, the telegraphs and cables were sabotaged by locals who believed that they disrupted the venerated spiritual force of *fengshui*, while pirates stole sections of the lines and sold them on the black market. The Great Northern Company severely aggravated the problems by responding to these actions with a vicious campaign of retribution, burning down homes and exhibiting for public ridicule those who had disrupted its system (Baark, 1997: 117–19). By 1873 the Zongli Yamen was threatening to close down the urban telegraph systems or to take them over outright. Urgent steps were needed to turn the tide and a year later a high-ranking Danish mission was sent to discuss the Great Northern Company's problems with the Zongli Yamen. The delegation also met American, British and French diplomats in China to agree upon an 'international solution'. The role of the US in these events was

particularly noteworthy, despite the fact that there were no American-owned cables or news organizations in China. Regardless, Secretary of State Fish, along with consular officials Benjamin Avery and Warren Delano, Jr (maternal grandfather of future US President, Franklin Delano Roosevelt and distant cousin of President Theodore Roosevelt), worked feverishly with the Danish delegation, the rest of the so-called 'international community' and the Chinese Government to ensure that the cable and telegraph networks remained open and to obtain proper authorization from the Chinese government (FRUS, 1874b: 370–1, 1874c: 238, 1875a: 274–5).

Far from a form of imperialism preying on a weak state, the 'international community' accepted that the orderly development of China's national and global communications capabilities depended on cultivating an effective nation-state. Crucially, this meant accepting that Beijing, not renegade officials in the southern city-states, had authority over cable and telegraph systems. They also agreed that the Great Northern Company would have to abandon its inland telegraphs in return for Beijing's approval of its cable system. These tactical shifts achieved their aims. As US officials remarked in a memo to the Danish mission and other European diplomats, China's new attitude was 'an advance upon anything the yamen have heretofore said on the subject of telegraphs, for they offer nothing . . . by way of objection' (FRUS, 1875b: 265). Demonstrating this new-found enthusiasm, the Chinese Government turned the existing inland telegraph lines into the cornerstones of its own national telegraph system, while the foreign firms retained control of the cables linking China to the rest of the world. The Imperial Chinese Telegraph Administration was created in 1881, with two of China's leading modernizers, Li Hongzhang and Sheng Xuanhuai, at its helm. Moreover, several schools were opened by the Great Northern Company to train Chinese telegraph engineers and operators, conditions for the transfer of technology were established and the Imperial Chinese Telegraph Administration was admitted to the Asian cable cartel in 1887 (FRUS, 1883: 142–53; CWA, 1887).

The arrangements also lessened tensions between the Great Northern and Eastern companies. In contrast to South America, Tietgen's participation in China was maintained rather than eliminated, although revisions to the cartel put the Eastern Company in much firmer control of the cartel (e.g. CWA, 1883, 1886). Of course, all of this does not mean relations with China were ideal. Revisions to the cable licences between the late 1890s and the 1900s extended the monopolistic concessions well beyond their original time frame and indicated

that China was now being treated with disdain, much as the 'weak state' of Persia had been in the 1870s. The Boxer Revolt in 1899 and the brutal response to it by the expeditionary forces of the 'international community' also revealed China's declining status. The 'international control of China' tightened considerably as the cartel was expanded between 1903 and 1906 to include the Imperial Japanese Telegraph Administration, a cable system owned by Felten and Guilleaume but subsidized by the German and Dutch governments, and the Commercial Pacific Cable Company, a firm supposedly owned by the US-based Commercial Company but secretly controlled by Pender and Tietgen.¹⁰ The revised cartel reflected the new relations of imperial power in Asia, basically serving as an instrument for the 'international control of China' – a method that was subsequently extended to banking, railroads and, unsuccessfully, to wireless (radio) in the early decades of the 20th century. The 'international control of China' also pointedly indicated that modernizing China would be done on terms set and enforced by the imperial powers, formal and informal alike, in line with the project of forging a global system, an Empire of Capital.

Cosmopolitan capitalism and corporate identity

Cartels were a ubiquitous feature of global and regional markets. Outside the North Atlantic, the Eastern Company was the linchpin in every one of these arrangements and this *did* give Britain hegemony over world communication. However, London was also a cosmopolitan centre of world finance, business and communication, a status backed by its imperial reach and the might of the British Navy. As Feis (1934) noted in *Europe: the World's Banker*, 'London was the center of a financial empire, more international, more extensive in its variety, than even the political empire of which it was the capital' (1934: 5; see also Jones, 2005: 282). Reflecting this, European and US investors swarmed to London, pooled their resources and invested heavily in the cable building boom that occurred between 1870 and 1910. Yet, just because capital poured into the global cable business through London does not mean that such firms were British. The case for the biggest firm of the time, the Eastern Company, was straightforward, since its capital, directors, technology and so forth were British. Yet, its web of alliances and the fact that its affiliates the world over took on local directors diluted this fact somewhat. Others, such as the French Atlantic Company, the Direct US Company, the Great Northern Company, the Western and Brazilian Company, the Commercial Company, and so on, however, obtained

capital, directors and technology from a variety of British, European and American sources. The case of the French Atlantic Company in the 1870s was especially telling, since it combined French and British capital, while maintaining two separate boards of directors; one in London, another in Paris (PRO, 1868). That practice also set a precedent for the French Post and Telegraph Authority after 1902, as it gradually assumed control of the South American Cable Company from its former British owners, whilst keeping separate British and French boards of directors until the outbreak of the First World War.

This complexity was also magnified by the fact that the leading cable companies typically had a plethora of subsidiaries nestled behind their corporate umbrellas. Most studies generally avoid the snarl of entities that composed the global media system by referring to firms generically as British, American, German, French, Japanese, and so forth, with the inference that they were tools of the state. However, the most interesting multinationals of the time saw national identity as something that could be changed on an as needed basis. The Commercial Company was the master at this, claiming to be British when it successfully sought subsidies for two 'British' affiliates that it owned – the Halifax and Bermudas Company (1890) and the Direct West India Company (1898) – and to be 'all-American' when standing before Congress to promote why it should be chosen to lay the first American-owned cable across the Pacific (1904) and as it fronted for the United States and Haiti Telegraph Company (1896) – a firm registered in the US and ostensibly controlled by the Commercial Company, but in reality owned by French concerns (Britain, 1902a: 20, 1902b: 115–20, 1910: 43, 134–43; US, 1921: 89–92). This is especially notable because it is at this point in time that most historians see French (and German) policies veering sharply towards a nationalistic stance. Be that as it may, such a stance took place within a framework that was deeply multinational and built around private structures of control. From 1888 until the early 1920s the Commercial Company displayed its indifference to issues of national identity by leading alliances with European cable companies in the Euro-American market, while ultimately joining the cartel dominated by the Eastern Extension Company and Great Northern Company in Asia.

Most studies obscure these points and rest on methodological flaws that typically base a country's status in the global communications system on a count of the length of cable systems owned by firms registered in each of the countries surveyed. But, to underscore our point, should the Halifax and Bermudas Company and Direct West India

Company – both owned by the Commercial Company but registered in London and subsidized by the British Treasury – be identified as American or British? And the US and Haiti Company, is it French or American? While official reports decided, in the former cases, to assign the companies a British identity and in the latter to accept the firm's American identity, and historians have accepted those choices ever since, are such practices accurate? We believe that they are not. The tangled snarl of ties was messy, to be sure, but the history of the global media business becomes incomprehensible as facts and events are forced into an excessively nationalistic framework.

Conclusion

The analysis presented here strongly supports those who have described the late 19th and early 20th centuries as the 'belle époque' of early globalization. Globalization processes during this time, moreover, were not just shallow and fleeting, but steeped in patterns of technological, economic, politico-legal and cultural interdependence, at least until the First World War. In the global media system, such patterns were defined by cross-national investments, overlapping directorships, alliances and strenuous efforts to 'bring into the fold' any firm that posed a threat to stable markets (the British treatment of the German Cable Company and the actions by the Eastern Company affiliates in the Asian and South American markets are good cases in point). The cable firms' opportunistic views of national identity also challenge the assumptions that are critical to the 'struggle for control of global communication' model. While this may be surprising, such observations comport well with Jones' conclusion that 'although London was exceptional in the degree of cosmopolitanism in the 19th century, the lack of concern about the nationality of ownership was general. This stance did not shift with the intensification of nationalistic rivalries in Europe before World War I' (2005: 282).

Among the broader debates of economic and foreign policy historians, our analysis strongly supports Hogan's (1977) focus on co-operation in Anglo-American diplomacy in the years between 1918 and 1928. Indeed, co-operation extended back further in time and involved a greater range of actors than even he suggests. In short, the era was defined by the '*internationalization of control*' rather than the '*struggle for control*'. The '*internationalization of control*', in fact, already defined international business and diplomacy, most notably with respect to cables, banking and railroads in China, but it also shaped Euro-American

media relations more generally and strongly influenced discussions of world communication during the post-war peace negotiations at Versailles. It was also the template used to sort out the tangled mess of radio concessions that had been amassed by Marconi, RCA, TSF and Telefunken in South America and China during the 1910s, but which were only resolved in both countries in 1921 and the late 1920s, respectively. These elaborate private structures of co-operation persisted well into the 20th century, with the global news cartel collapsing in 1934, the wireless cartel expiring in the mid-1940s and the cable cartels continuing, albeit in different form, until our own time – a point we will return to shortly. To be sure, there were points in time when some, such as the hyper-nationalistic All-America Cable Company and a few hot-headed nationalists from the US Navy, did cast events as a ‘great patriotic struggle’ for the control of world communication. Yet their view gained remarkably little support even in the US. Even those in the Naval Department such as Josephus Daniels and Admiral Charles Bullard, who had spearheaded the creation of RCA (1919), became disillusioned once this supposed ‘national champion’ immediately became enmeshed in the ‘international wireless cartel’ (US, 1921).¹¹

Our analysis also shows that the global media firms were often exploitative, arrogant and corrupt. They exacted huge concessions and charges as they ventured into the European settler colonies as well as into the recently formed republics of South America which were anxious to enhance their global images, and into enormous, unstable entities like China where the Beijing Government’s standing was often in contention. This was a mode of economic imperialism and those who opposed it, as did many Chinese during the Boxer Rising, were brutally suppressed by Western military power. But, on the other side, the companies and the high-tech gloss associated with the new media technologies of the time also intersected with discourses of modernization that were already taking place among indigenous elites. The view of imperialism as a process of one-way exploitation by imperial states and corporations is unduly simplistic. In this sense, our analysis addresses the concern of historian Linda Colley (2002), that is, the need to study the impact on each other of the citizens of the imperial nations and the peoples with whom they interacted in a formal or informal controlling relationship. Extend this to our work, and one can see the frequency and importance of such actions and reactions: the development of the Imperial Chinese Telegraph Administration which ultimately became a partner in the Asian cable cartel; the eager embrace of the telegraph and cables by Persia and the Ottoman Empire; the ultimately successful attempts by

Argentina, Brazil, Chile and Uruguay to exert sovereign power in order to develop their own state-owned national telegraph systems and to control the terms of cable concessions.

The global cable system was not rendered obsolete by the advent of the wireless and transcontinental telephone service. Indeed, the majority of our global communications still depend on a vast net of fibre optic cables that span the globe. While the character of cartels is no longer the same, these networks are still owned and managed by complex 'strategic alliances' among the largest private and state-owned telecommunications operators in the world. On this score, it is important to note that the global communication policies of the American governments in the late 19th and early 20th centuries, and especially in the Cable Licensing Act of 1921, are the precursors of the country's policies today. Indeed, drawing on the principle of reciprocity first set out in 1869, the US still leverages access to its own markets in order to prise open foreign markets. The same provisions are also used to foist network security functions onto foreign telecommunications providers by requiring that cables landing in the US be reviewed by the National Security Agency. In the current age of the security-conscious imperial state, cable landing licences remain a powerful instrument for achieving hegemony in markets and embedding the security interests of the nation-state deep into the fabric of global communication networks (FCC, 1999a, 1999b). Thus, policies established in the 19th century continue to shape the relationship between the global media and Empire in our own time. So then, *plus ça change*. . .

Notes

- 1 Thanks to John Britton, US foreign policy historian at Francis Marion University, South Carolina, and Oliver Boyd-Barrett, global media scholar at Bowling Green State University, Ohio, for their helpful and insightful comments at various stages in our research. We would also like to thank the Social Sciences and Humanities Research Council (Canada) for supporting the research project upon which this article is based.
- 2 Published as *Communication and Empire: Media, Markets and Globalization, 1860–1930* by Duke University Press (Durham, NC) in July 2007.
- 3 The basis of this critique can be found in Macmillan (2003) and Boemeke et al., (1998), especially the chapter by Knock (1998) on the 'hagiographic tradition' which he finds exemplified by the work of those who have been relied on extensively by communication historians, notably, Ray Stannard-Baker and George Creel. The trend is most evident in work on US President Woodrow Wilson, with those who love or loathe him either heaping praise or scorn upon 'the great man' for the *moral angle* of his internationalism. A better approach sees him as the

progenitor of a *systems view* of world order and for carving out a huge place in US foreign policy for such a perspective (for better or for worse) ever since (Ninkovich, 2001; Ambrosius, 2002: 24). For such a perspective and its role in generating the 'Cold War' nation, see McNamara's (2002) 'mea culpa'.

- 4 This view draws on Lukes' (1974) distinction between three views of power: (1) an *instrumentalist view* in which actors have their own distinctive interests and power is the ability of one group or individual to realize their interests in the face of opposition from others; (2) an *agenda-setting view* in which power is a function of being able to shape the agenda around which debates, decisions, political change and conflict occur; and (3) a *systems view* in which power is a function of the interdependencies among actors and the ability of actors to shape outcomes by forging relationships with others, exercising control over resources (material and symbolic), setting the 'rules of the game' and making the basic goals and acceptable range of action that are open to all actors a part of the *system*. Hills (2002: 11–16) offers a good explanation of Lukes and the *structuralist view*, although her reliance on secondary sources compromises her theoretical position. Other sources for the *systems view* include Cox (1987), Comor (1994) and Hogan (2000).
- 5 The quote is that of Renault, but because Tobias Asser also played such a key role in these events and shared similar views credit between the two is shared.
- 6 The 'white Dominions' and India, excepted. This point is consistent with J.A. Hobson's *Imperialism* (1902/1954) where he critiques the 'economic burden' of British imperialism. For a similar critique see Ninkovich, 2001, although we are critical of his ideas about the exceptional and short-lived nature of US imperialism.
- 7 Fourteen countries participated in the German-convened conferences of 1884/85: Austria-Hungary, Belgium, Denmark, France, Germany, Great Britain, Italy, the Netherlands, Portugal, Russia, Spain, Sweden, Turkey and the US (Ferguson, 2003: 236). On the financial boom in South America, see Kindleberger, 1978 and Marichal, 1989.
- 8 The three subsidiaries were: the Eastern and South African Company, the West African Company and the African Direct Company. Out of total subsidies of \$13.9 million paid by Britain between 1880 and 1902 to the British cable companies, approximately \$7.5 million was earmarked for Africa. Between them, the French, German and Portuguese contributed another \$2.5 million to the Company's affiliates in Africa. This flow of subsidies and the use of the Eastern Company's networks to meet the collective communications, security and imperial needs of European countries reveals core elements in our idea of empire. On subsidies, who gave them and who received them, see Britain, 1902a: 59 and the notes to the tables in Appendices G (pp. 72–73) and J (p. 80).
- 9 Standard interpretations give pride of place to these examples. The problem is that *no* attention is given to the above points or the fact that the new cable systems that emerged still sought the shelter of 'multilateral alliances', as discussed below. On imperial rivalry and conflict, the classics are Headrick, 1991 and Kennedy, 1971.
- 10 Nearly two decades after its formation the Commercial Pacific Company was revealed to have conceded three-quarters of its ownership to the Eastern Company and the Great Northern Company as the price for entering Asian communication markets, where the latter two held iron-clad monopolistic concessions that held sway in the region for six decades between 1870 and 1930. On the 'revelation' see US, 1921: 269–70.

11 These *competing views* can be seen in US, 1921. Almost without exception studies that use this indispensable source pick up the jingoistic 'struggle for control' template of the All-America Cable Company and its legal counsel, Elihu Root, Jr (son of Elihu Root Sr, the US Secretary of War under President McKinley and of State under Roosevelt and leading conservative internationalist), as if it is *the* US position in general. The position of other communication companies and US-based news agencies, and indeed, most of the Congress people at the Hearings, in contrast, cannot be interpreted as doing the same. Such differences are better seen as an index of cleavages within the US political culture between liberal internationalists (aka Wilsonian internationalism) and conservative internationalists for the control of American foreign policy. Similar trends were visible in other nations.

References

- Ahvenainen, J. (2004) *The European Cable Companies in South America*. Helsinki: Suomalainen Tiedekatemia.
- Ambrosius, L.E. (2002) *Wilsonianism*. New York: Palgrave Macmillan.
- Australia (1909) 'Report of the Select Committee on Press Cable Services', Commonwealth Parliamentary Papers, *Journal of the Senate*, Vol. 1.
- Baark, E. (1997) *Lightning Wires: The Telegraph and China's Technological Modernization, 1860–1890*. Westport, CT: Greenwood Press.
- Bektas, Y. (2001) 'The Sultan's Messenger', *Technology & Culture* 41: 669–96.
- Berthold, V. (1924) *History of the Telephone and Telegraph in Brazil, 1851–1921*. New York: AT&T.
- Berthold, V. (1925) *History of the Telephone and Telegraph in Uruguay, 1866–1925*. New York: AT&T.
- Boemeke, M.F. et al. (eds) (1998) *The Treaty of Versailles*. Cambridge: Cambridge University Press.
- Boyd-Barrett, O. and Rantanen, T. (eds) (1998) *The Globalization of News*. London: Sage.
- Britain (1902a) *Second Report of the Inter-Departmental Committee on Cable Communications* (Cmd 1056). London: HMSO.
- Britain (1902b) *Minutes of Evidence taken before the Inter-Departmental Committee on Cable Communications*. London: HMSO.
- Britain (1910) *Minutes of Evidence taken in London before the Royal Commission on Trade Relations between Canada and the West Indies*, Part IV, App. XIX. London: HMSO.
- British Parliamentary Papers [BPP] (1864) *Correspondence Respecting the Construction of Telegraph Line through Persia*. 1864, LXVI.207 mf 72.594.
- British Parliamentary Papers [BPP] (1864 and 1865) *Telegraphic Communication between India and Ottoman Territory, Constantinople*. Sept. 1864 1865 [3431] LVII. 487 mf 17.442.
- British Parliamentary Papers [BPP] (1872 and 1873) *Convention between the British and Persian Governments for Prolonging Conventions between H.M. and Shah of Persia relative to Telegraphic Communication between Europe and India*. 1872 1873 [C.7967] LXXV 685 mf 79.682.
- British Parliamentary Papers [BPP] (1892) *Agreement between the British and Persian Governments for Prolonging Conventions between H.M. and Shah of Persia relative to Telegraphic Communication between Europe and India, Tehran*. Jan. 1892 XCV.727 Articles X–XII.

- Cable & Wireless Archives [CWA] (1870) *Chinese Concessions to Eastern Extension Cos*, Correspondence between Prince Gong, Minister of Zhongli Yamen and Thomas F. Wade, British Consul, 7 May.
- Cable & Wireless Archives [CWA] (1873) DOC/EEACTC/1/68. *China Agreements*, Agreement between the Eastern Extension and Australasia and China Telegraph Company and the Great Northern Telegraph Company, 11 February.
- Cable & Wireless Archives [CWA] (1880) *Agreement between the Anglo-American Telegraph Co, the Direct U.S. Cable Co., and Compagnie Française du Télégraphe de Paris à New York*, 24 September, in L.B. Carlslake, 1904, *Anglo-American Telegraph Company, Ltd, Contracts, etc.* Not indexed.
- Cable & Wireless Archives [CWA] (1882a) *Agreement between the Anglo-American Telegraph Co, the Direct U.S. Cable Co., Compagnie Française du Télégraphe de Paris à New York (the European Companies) and the American Telegraph and Cable Company*, 12 May, in L.B. Carlslake, 1904, *Anglo-American Telegraph Company, Ltd, Contracts, etc.*, p. 20. Not indexed.
- Cable & Wireless Archives [CWA] (1882b) *Agreement between the Anglo-American Telegraph Co, the Direct U.S. Cable Co., Compagnie Française du Télégraphe de Paris à New York and the American Telegraph and Cable Company*, 12 May.
- Cable & Wireless Archives [CWA] (1883) DOC/EEACTC/1/68. *China Agreements*, Joint instructions for the stations in Hong Kong and China of the Eastern Extension, Australasia and China Telegraph Company, Ltd. and the Great Northern Telegraph Company, 12 January.
- Cable & Wireless Archives [CWA] (1886) DOC/EEACTC/1/68. *China Agreements*, Joint instructions relating to the 'Heads of Agreement' arranged at Copenhagen, August, 29 October.
- Cable & Wireless Archives [CWA] (1887) DOC/EEACTC/1/68. *China Agreements*, Agreement between the Imperial Chinese Telegraph Administration, of the one part, and the Great Northern Telegraph Company and the Eastern Extension, Australasia and China Telegraph Company, Ltd., of the other part, 10 August.
- Castell, M. (1996) *The Network Society*. Oxford: Blackwell.
- Chandler, A., Jr. (1990) *Scale and Scope: The Dynamics of Industrial Capitalism*. Cambridge, MA: Harvard University Press.
- Cole, J.C. (1993) *Colonialism and Revolution in the Middle East*. Princeton, NJ: Princeton University Press.
- Colley, L. (2002) *Captives: Britain, Empire and the World, 1600–1850*. New York: Pantheon.
- Comor, E. (ed.) (1994) *The Global Political Economy of Communication*. New York: St Martin's.
- Conant, C. (1898) 'The Economic Basis of Imperialism', *North American Review* 167: 326–46.
- Cookson, G. (1999) 'Ruinous Competition', *Enterprises et Historie* December, 23: 93–107.
- Council of Foreign Bondholders (1873) *Annual General Report*.
- Cox, R. (1987) *Production, Power and World Order*. New York: Columbia University Press.
- Desbordes, R. (2004) 'Western Empires and News Flows in the 19th Century', Paper presented at the International Association of Media and Communication Research Annual Conference, Porto Alegre, Brazil, 24–30 July.
- Direct U.S., Appellants, v. The Anglo American Telegraph Company et al., Respondents (1874) *Record of Proceedings. Privy Council on Appeal from the Supreme Court of Newfoundland*, Library of Congress.

- Federal Communications Commission (1999a) *Cable Landing License*. URL (accessed January 2008) www.fcc.gov/bureaus/international/orders/1999/da991636.pdf
- Federal Communications Commission (1999b) Underseas Cables Public Forum. Available at: www.fcc.gov/ib/pd/SubmarinePubForum.txt
- Feis, H. (1934) *Europe: the World's Banker, 1870–1914*. New Haven, CT: Yale University Press.
- Ferguson, N. (2003) *Empire*. New York: Basic Books.
- Findley, C.V. (1980) *Bureaucratic Reform in the Ottoman Empire, 1789–1922*. Princeton, NJ: Princeton University Press.
- Fish, H. (US) (1869) 'Memo to Foreign Governments', Reproduced in J.B. Moore (1906) *Digest of International Law*, Oct/Nov. Washington, DC: US GPO.
- Fleming, S. (1907) *To the Citizens of the Empire*. Ottawa: Board of Trade of City of Ottawa, p. 26. Available in National Archives of Canada, RG 3 Vol. 627, Folder 65162–4.
- Foreign Relations of the United States [FRUS] (1872) *Vol. 1*, 28 July.
- Foreign Relations of the United States [FRUS] (1874a) *Vol. 1. China*, Correspondence from J. Hegerman Lindencrone, Legation of Denmark to Secretary of State Hamilton Fish (with numerous enclosures) (no. 193), 7 January.
- Foreign Relations of the United States [FRUS] (1874b) *Vol. 1. China*, Correspondence from Secretary of State Hamilton Fish to J. Hegerman Lindencrone, Legation of Denmark (no. 194), 22 January, pp. 370–71.
- Foreign Relations of the United States [FRUS] (1874c) *Vol. 1. China*, Correspondence between Benjamin P. Avery, U.S. Legation, Beijing to Secretary of State Hamilton Fish (no. 136), 20 December, p. 238.
- Foreign Relations of the United States [FRUS] (1875a) *Vol. 1. China*, Correspondence from Secretary of State Hamilton Fish to Benjamin P. Avery, U.S. Legation, Beijing (no. 146), 4 March, pp. 274–5.
- Foreign Relations of the United States [FRUS] (1875b) *Vol. 1. China*, Correspondence from Benjamin P. Avery, U.S. Legation, Beijing to Secretary of State Hamilton Fish (with enclosures from various foreign ministers to one another and from Avery to Head of Danish Ministerial Delegation to Beijing, General Raasloff) (no. 167), 14 May.
- Foreign Relations of the United States [FRUS] (1883) *Vol. 1. China*, Correspondence from J. Russell Young, U.S. Legation, Beijing to Secretary of State Frelinghuysen (with enclosures of correspondence between Young and Prince Gong, Zongli Yamen, and from Great Northern Company agreement re. construction of telegraph lines in China) (no. 68), 28 November.
- Furth, C. (2002) 'Intellectual Change', in L.O. Lee and M. Goldman (eds) *An Intellectual History of Modern China*, pp. 13–96. New York: Columbia University Press.
- Gallagher, J. and Robinson, R. (1953) 'The Imperialism of Free Trade', *The Economic History Review* VI(I): 1–27.
- Globe Telegraph and Trust Company [GTTC] (1873) *Memorandum and Articles of Association*, 11 July, MSS 24.
- Globe Telegraph and Trust Company [GTTC] (1874) *Minutes*, 1 January.
- Harvey, D. (2003) *The New Imperialism*. Oxford: Oxford University Press.
- Headrick, D. (1991) *The Invisible Weapon*. Oxford: Oxford University Press.
- Held, D., McGrew, A., Goldblatt, D. and Perraton, J. (1999) *Global Transformations*. Stanford, CA: Stanford University Press.
- Herman, E. and McChesney, R. (1997) *The Global Media*. London: Cassell.
- Hills, J. (2002) *The Struggle for Control of Global Communications*. Chicago: University of Illinois Press.

- Hobson, J.A. (1902/1954) *Imperialism*, 2nd revised edn. London: George Allen and Unwin.
- Hogan, M. (1977) *Informal Entente*. London: University of Missouri Press.
- Hogan, M. (ed.) (2000) *Paths to Power*. Cambridge: Cambridge University Press.
- Jones, G. (2005) *Multinationals and Global Capitalism*. New York: Oxford University Press.
- Kang Youwei (1898/1935) *Da Tong Shu (The Great Cosmopolitan Community)*. Zhongzhou, China: Zhongzhou Ancient Books.
- Kedourie, E. (1992) *Politics in the Middle East*. New York: Oxford University Press.
- Kennedy, P. (1971) 'Imperial Cable Communications and Strategy, 1870–1914', *English Historical Review* October: 728–53.
- Kindleberger, M. (1978) *Manias, Panics, and Crashes*. London: Macmillan.
- Knock, T.J. (1998) 'Wilsonian Concepts and International Realities at the End of the War', in M.F. Boemeke et al. (eds) *The Treaty of Versailles*. Cambridge: Cambridge University Press.
- Koskenniemi, M. (2002) *The Gentle Civilizer of Nations*. Cambridge: Cambridge University Press.
- Lukes, S. (1974) *Power: A Radical View*. London: Macmillan.
- Macmillan, M. (2003) *Paris, 1919*. New York: Random House.
- Marichal, C. (1989) *A Century of Debt Crises in Latin America*. Princeton, NJ: Princeton University Press.
- Mattelart, A. (1994) *Mapping World Communication*. Minnesota: University of Minnesota Press.
- McNamara, R. (2002) *Wilson's Ghost*. New York: Public Affairs.
- National Archives of Canada (1900) 'Correspondence from Marquess of Salisbury to Count Hatzfeld', 3 January, 1900. CO 42 873 (mf B789).
- Nickles, D.P. (2003) *Under the Wire: How the Telegraph Changed Diplomacy*. Cambridge, MA: Harvard University Press.
- Ninkovich, F. (2001) *The U.S. and Imperialism*. London: Blackwell.
- O'Rourke, K. and Williamson, J. (1999) *Globalization and History*. Cambridge, MA: MIT Press.
- Pacific Cable Committee (1899) *Report, Minutes and Proceedings, etc., 1899*. London: HMSO. National Archives of Canada, RG 3 Vol. 627 #65162.
- Power, E. (1919) 'Memorandum to Sec. of State Robert Lansing re. International Telegraphic Communication', 15 January. Available at National Archives and Records Administration (Washington), RG 59, 574 D11 Box 5558.
- Public Records Office [PRO] (1868) BT 31/1418/4105. Société du Câble trans-Atlantique Française, Ltd, *Memorandum and Articles of Association*.
- Public Records Office [PRO] (1891) BT 31/5102/34363. South American Cable Company, Ltd, *Memorandum and Articles of Association*.
- Public Records Office [PRO] (1916) T 1/11980. *Treasury Minutes*, 'Purchase of the Undertakings of the Anglo-American Telegraph and the Direct United States Company by the Western Union Telegraph Company'.
- Public Records Office [PRO] (1921a) CAB 21/198. *Representations by the Empire Press Union regarding Cable and Wireless Communication Facilities*.
- Public Records Office [PRO] (1921b) FO 228/3416. *Dossier 1120 Telegraphs and Cables, Vol II (China Related)*, April 1921 to July 1922. Mr Hurd, *Question in House of Commons to PMG*, 12 July, 1921.
- Putnis, P. (1998) 'The Integration of Reuters into the Australian Media System in

- the late 19th and early 20th Centuries', Paper presented to the International Association for Media and Communication Research, Glasgow, July.
- Read, D. (1992) *The Power of News: The History of Reuters*, 2nd edn. New York: Oxford University Press.
- Sharp, W. (1927) 'International News Communications', *The University of Missouri Bulletin* 28(3): 1–41.
- Shreiner, G. (1924) *Cable and Wireless and the Role in the Foreign Relations of the United States*. Boston: Stratford Co.
- Sklar, M. (1988) *The Corporate Restructuring of American Capitalism, 1890–1916*. Cambridge: Cambridge University Press.
- The Times* (London) (1869) 26 August, p. 1.
- The Times* (London) (1875) 5 April, 6b.
- Tulchill, J. (1971) *The Aftermath of War*. New York: New York University Press.
- United States, 66th Congress, 3rd Session (1921) *Cable-Landing License Hearings*. Washington: GPO.
- Vittinghoff, N. (2002) 'Unity vs. Uniformity: Liang Qichao and the Invention of a "New Journalism" for China', *Late Imperial China* 23(1): 360–95.
- Wagner, R.G. (1995) 'The Role of the Foreign Community in the Chinese Public Sphere', *China Quarterly* 142: 423–43.
- Wardl, M.W. (1897a) *Joint Purse*. London: British Telecom Archives. POST 83/56.
- Wardl, M.W. (1897b) *Telegraphic Communication with India*. London: British Telecom Archives. POST 83/56.
- Western Telegraph Company (1909–13) (Brazil Files) Box 6. 'General Superintendent to Secretary, 1909–1913', University College (London) Special Collections.
- Wilson, G.G. (1901) 'Submarine Telegraphic Cables in their International Relations', Lecture delivered at the Naval War College, Library of Congress, August.

Biographical notes

Dwayne R. Winseck is Associate Professor in the School of Journalism and Communication at Carleton University in Canada. Among his publications are: *Democratizing Communication? Comparative Perspectives on Information and Power* (Hampton Press, 1997) *Reconvergence: A Political Economy of Telecommunications in Canada* (Hampton Press, 1998) and *Communication and Empire* (Duke University Press, 2007).

Address: School of Journalism and Communication, Carleton University, Ottawa, Ontario, Canada, K1S 5B6. [email: dwayne_winseck@carleton.ca]

Robert M. Pike is Professor Emeritus of Sociology at Queen's University in Kingston, Canada. He is the co-author with Dwayne R. Winseck of *Communication and Empire* (Duke University Press, 2007).

Address: Sociology Department, Queen's University, 99 University Avenue, Kingston, Ontario, Canada, K7L 3N6. [email: piker@queensu.ca]
