

In my opinion, however, the leasing of British cables to an American corporation is highly objectionable, nationally speaking—far more so than the “pooling” arrangement; and it is difficult to understand how the “deal” is a legal one in America if the “pool” was contrary to the Sherman Act. The deal may be all right from the shareholders’ point of view; but this is not a shareholders’ meeting, and we are not here to consider that aspect. What we are here for is to review the national aspect of the matter. (Hear, hear.)

There are moments when the Mother-country and her children have things to say to each other which strangers should not overhear. But if we are to be dependent for our communication with Canada and other parts of the Empire on cables under American control, we shall have to face the prospect of our messages being known all about at Washington, for—as is quite generally recognized—it would be futile to place reliance on the secrecy of codes. Another prospect would be the American filtration of news between the Mother-country and Canada. This is already experienced to a great extent, but would be infinitely worse if none of the Atlantic cables remained in British hands. It is largely to meet objections such as these that cables have been laid to a number of our colonies without touching on foreign territory. Such a prospect as I have hinted at would assuredly be realized in the event of trouble between Canada and the United States, or, indeed, in the case of misunderstandings between the United States and ourselves; or, alternatively, between any other Power and ourselves. Let us consider, too, the instance of a war in which the United States rather than we were concerned, we ourselves being supposed to be in the unaffected position associated with neutrality. In this case the said cables, if under our own control, would be neutral; but do you imagine for one moment that neutrality would hold good if the lines were in the hands of the Western Union Telegraph Company of America? In that event we should have to face the prospect of messages between this country and any other neutral nation (including our colonies) being blocked.

Much has been made of the fact that English clerks will alone be employed by the American company for working the cables landing on our territory. This, however, in no way meets the objections I have named, if only for the reason that telegraph operators do not govern a telegraph system: they work their instruments, and go home when off duty.\*

It has also been claimed that the service will greatly improve by the absorption. That is conceivable, if only on the grounds of unification—but the objections for national reasons far outweigh any other considerations; and certainly no reliance should be placed on the hints at reduced rates under the American *régime*. What augurs badly here is the fact that the Western Union Company appear to be suggesting that they are the originators of “deferred rates”; and even if a reduction were introduced in the rates, we might any day have to face these being increased between the Mother-country and Canada beyond what they now stand at, in order to give a preference to trade between America and Great Britain. The excuse would no doubt be that the traffic was comparatively small. In a word, we cannot rely upon maintaining any control of the rates when dealing with a company outside our own jurisdiction, no matter what terms may be come to originally.

We may, on the other hand, safely regard this American desire for capturing our cables as only the thin end of the wedge. Do you suppose our enterprising friends are going to be content with stopping there? I certainly do not. On the contrary, if this deal comes into operation, I shall soon expect to find that what was also originally a purely British business—that of the manufacture of submarine cables, and their subsequent submersion—will similarly be undertaken in the United States. Is this, too, a prospect that should be regarded with complacency? No doubt we shall now have an assurance that such an idea was far removed from American intentions, but it is, perhaps, better not to implicitly rely on everything we are told.

There is a striking coincidence connected with this American “deal” in the fact that negotiations between the respective parties were only brought to a conclusion at the moment when the reciprocity treaty between the United States and Canada was cast aside by a new Canadian Government such as will naturally tend to replace it by a preferential policy with the Mother-country. A more unsuitable moment, therefore, could scarcely be conceived for this arrangement to be put into operation.

It has been argued that it matters not to whom a cable belongs if it can readily be controlled in time of war. This, of course, is mainly a question of naval supremacy; but whilst it is highly likely that, in the event of our having such supremacy at the right moment, we may be able to take charge of any cable landing on our shores during war, it should, moreover, always be remembered that the control of a cable in times of peace, but when trouble is brewing, is quite equally, if not more, important for Imperial and political as well as strategic reasons.

Short of Government ownership, the only way of insuring this is for the cable to be in the hands of our own countrymen. Let us not forget that we depend here, in the United Kingdom, upon our sea-borne food-supplies; and, therefore, absolutely secret and invulnerable communicating-links with the wheat-growing areas in our oversea dominions become every day increasingly vital to the nation. Moreover, it would be impossible to lay cables to meet the sudden emergency created by a great war; and though there would always be the chance of even deep-water wires being disturbed or out of our control, we should possess a great initial advantage if at the outset of such a conflict our Government were in a position to control the entire telegraph systems of the Empire—and not least that between the Mother-country and Canada—for the purposes of Imperial policy. For the moment, however, it looks more like what was originally our heritage—I mean the transatlantic cables—being run on strict monopoly lines for the benefit of great American financiers interested in extending their trade with Great Britain, and, indirectly at any rate, checking our trade with Canada and the rest of the British Empire.

\* The strategic aspect of the subject is more fully dealt with in my contribution to the “Navy League Annual,” just published, under a chapter on “The Strategic Importance of Inter-Imperial Telegraphy.”