

Economic Interests and Major Power Relations in American Foreign Policy, 1890–1914

Abstract

What accounts for the considerable political conflict over American foreign policy during the country's emergence as a major power in the 25 years before World War I? In addition to its historical importance, American foreign policy during this period provides a useful window into the processes that shape elite positions on relations with the other major powers. Previous studies of the role of economic interests in this process have emphasized demand for overseas markets for American exports. We argue here that the dominant Republican Party's commitment to protectionism played an equally important role. European retaliation against high U.S. tariffs led Republican policymakers to emphasize less-developed markets. These required substantial power projection capability, mainly in the form of naval power, to insure access in the face of local disorder and threats from other imperial powers. It also severely limited the depth of American cooperation with other developed states. This foreign policy would benefit the protected manufacturing sector. By contrast, export-oriented agriculture stood to gain little from less-developed markets and preferred more cooperative relations with its developed trading partners. We test the influence of these considerations by examining Congressional roll-call votes. In this preliminary version, we consider votes on naval construction. Later editions of this paper will include votes on intervention in less-developed areas and on cooperation with other major powers. We find that the size of the manufacturing sector is strongly associated with support for naval construction, even when one controls for party affiliation and a range of other considerations.

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Research for this paper was supported by the National Science Foundation Political Science Program through grant SES-1022546.

The United States rose to major power status during a period of widespread military and economic competition. Between 1890 and 1914, the United States engaged in a massive buildup of its naval forces and acquired colonies in the Philippines, Guam, and Puerto Rico. Other major powers like Britain, France, and Germany were all engaged in similar foreign policies during at the time, enlarging their fleets in order to maintain access to overseas markets and colonies, while also hoping to expand into new ones. Many American observers thought the European colonial powers would partition China, excluding the United States from further economic access.¹ Other feared that Latin American might become a target (e.g., Lodge 1895; Mahan 1897, 20-1).

In spite of the highly competitive atmosphere, policymakers' views on how to engage other major powers were far from homogenous. Indeed, fierce disagreements over the best approach to foreign policy played out at length during the congressional debates of the day. Many policymakers favored a tough stance, arguing that the United States needed to forcefully assert itself against predatory European powers. These members of Congress typically favored increasing American military expenditures and the development of a globally competitive battleship fleet. Many others favored a more peaceful strategy, suggesting that the United States did not need to fear these other powers, and that there were opportunities for sustained cooperation. These individuals typically favored negotiation and the peaceful arbitration of international disputes, even with more powerful rival states.

What explains the divergence between these positions? Congressional debates during this time period reveal that members of Congress held widely differing views of the international environment. How best to deal with a rising Germany and Japan, or a then-dominant Britain, were questions that provoked a great deal of disagreement. Unsurprisingly, they also favored

¹ For example, addressing the American Academy for the Advancement of Political and Social Science on U.S.

dramatically different policies as to the best means of engaging these states. There are a number of possible explanations. Some basic factors—like the distribution of power in the international system—are useful in answering some, but do not fully explain the politics of the foreign policymaking process. Since the distribution of power in the international system is a constant at any given point in time it cannot explain variation at the individual level. Accordingly, we must turn to the factors that vary across individual legislators in order to gain any purchase on this question.

In this paper, we focus on the economic interests of legislators' constituents to explain variation in their voting behavior on some of the key foreign policy issues of the day. Our argument is that the positions members of Congress take on foreign policy issues will (all else being equal) reflect the economic interests of the constituents who put them into office. For some, a more aggressive approach to foreign policy may be advantageous. Manufacturing interests in the North sought to not only block the import of cheaper manufactured goods from European countries into the United States, but they also sought to expand their own access to foreign markets in Latin America and East Asia. The coupling of protectionist and expansionist economic policies brought Northern interests into direct conflict with their European counterparts who sought the same end. For others, taking a more conciliatory approach may be economically advantageous. Southern agricultural interests often expressed concern over policies that might alienate other major powers in Europe—the very states to which many Southern farmers exported key commodities, like cotton and tobacco.

We test this argument by examining the voting behavior of individual members of Congress from 1890–1914. We focus on three categories of votes reflecting different aspects of American foreign policy: the construction of naval power, intervention in less-developed areas of

the world, and cooperation with other major powers. (As we will explain below, this preliminary paper covers only one of these three issues.) The time period under consideration marks the period when the United States first began to assert itself as a major power on the world stage. Accordingly, it represents a time when the United States foreign policymaking apparatus was loosely bound by the policy decisions and commitments of the past. The nation had no alliances, no long-standing ideological divisions drove policymaking, and the foreign policy bureaucracy consisted of but a few hundred individuals, and so mechanisms for transmitting conventional wisdoms regarding foreign policy were lacking.

The claim that commercial interests shaped American foreign policy before World War I is not new. The argument that a drive for export markets shaped American activism during this period was central to the Wisconsin School of American historians.² More recently, political scientists have made parallel arguments about the role of overseas markets (e.g., Trubowitz 1998; Narizny 2007). Our argument builds on this research but departs from it in two major ways. First, it emphasizes the role of trade protection alongside the drive for overseas markets. As we will explain in the next section, the demand for export markets was not isolated to Republicans and manufacturers in the northeast, but it had very different implications when protectionists controlled foreign policy, as they did in the United States before World War I, than when more liberal policy makers were in charge, as they were during the 1940s.

Second, previous quantitative studies of American foreign policy during this period, most notably Trubowitz (1998), have relied on a mixture of qualitative historical evidence and aggregated data on congressional voting, sectoral output, and export volumes, and have focused on broad swaths of geography and time. There is little work examining these relationships with

² The best known work in this tradition is arguably Williams 2009 [1959]. Particularly comprehensive summaries can be found in LaFeber 1963, esp. 150–196 and McCormick 1967, esp. 21–52. See also Rosenberg 1999.

multivariate models. This omission is not trivial—many of the explanatory factors highlighted by previous studies are highly correlated with one another. For example, during this time period the manufacturing and agricultural sectors are very closely tied to the Republican and Democratic parties, respectively. Furthermore, there is often substantial variation in voting behavior *within regions*. The use of regionally aggregated data on congressional voting makes it difficult to parse these highly correlated influences on individual roll-call voting. The individual legislator is a more natural unit of analysis than the congressional delegation. If we seek to test the hypothesis that economic interests promote certain behaviors, then it is imperative that we take steps to control for other factors that may also be exerting their own independent causal effects, such as partisanship.

The remainder of this paper proceeds as follows. First, we review the relevant literature linking economic interests with attitudes on foreign policy. We will also present specific testable hypotheses. Second, we will present our research design and discuss the data used to test our hypotheses. Here we will also discuss the specific votes we have chosen for our analysis. Third, we conduct our statistical analyses. Lastly, we conclude with a discussion of our results and possibilities for further research.

Trade, Protection, and Foreign Policy

The question motivating this project is this: What explains variation in individual legislators' foreign policy preferences? Our focus here is on the trade interests of their constituents. More specifically, we will argue that political coalitions that demand both protection in the home

market and increased access to markets overseas are likely to demand aggressive and conflict-prone security policies as well. These are certainly not the only considerations that might shape foreign policy but they are potentially important.

International economic exchange creates winners and losers in a variety of ways. The winners prefer policies that can maintain or expand the advantages they hold, while the losers seek policies that can compensate or protect themselves from the harm they suffer. In the case of trade, economic actors who benefit from exports need policies that will secure or maintain continuing access to important markets. Those who compete against imports seek protection against their competitors. Many of the policies required to promote these interests are strictly economic. Exporters may favor international agreements to promote a more liberal trading system. Those facing import competition may seek trade protection. However, trade policy also has a security dimension. International trade, like other forms of economic exchange, rests on some observance of property rights. This condition has not existed in all historical settings, and maintaining or establishing it may require diplomatic or military action to secure the property of nationals in overseas locations. Moreover, third states may threaten market access, so political-military relations with these states might also affect the commercial interests of exporters.

Whether and how the groups holding these interests can influence legislators is another question. Either because of lobbying, or simply because political leaders recognize their importance without any prompting, industries that employ substantial numbers of people, and that are geographically concentrated, are likely to command the attention of policymakers. Previous research has shown that geographically concentrated industries tend to be correlated with shared policy preferences and greater activism among workers (Busch and Reinhardt 2000). Given the increased policy coordination and likelihood of activism among workers who are

geographically concentrated, it is clear that legislators do not need to be personally harmed by trade to favor protectionist policies. Assuming that legislators want to stay in office, they should be most likely to respond to those domestic constituencies that can mobilize the greatest political resources, whether in the form of dollars or of votes.

This linkage between economic interests and the politics of foreign policy is not new. Previous research has also linked economic interests to the legislative voting behavior on a wide range of issues, including national security issues (Fordham 1998), human rights (Cutrone and Fordham 2010), and foreign aid (Milner and Tingley 2011). The liberal association between trade and peace is perhaps the best known argument along these lines (e.g., Russett and Oneal 2001). International commerce increases the opportunity cost of military conflict, at least to those who benefit from it. Exporters who have a stake in access to a particular market also have an incentive to promote better political relations with the political authorities who control that access.

Because of its role in liberal claims about the conflict-reducing effects of trade, export interests have received somewhat greater attention than trade protection in shaping broader foreign policy interests. However, some research indicates that trade protection is associated more hostile foreign policy preferences and behavior. McDonald (2009) found that greater protectionist influence was associated with more conflictual foreign policy behavior. Recent work using public opinion data also shows that individuals who work in import-competing sectors, and who are thus more likely to benefit from protectionist policies, tend to have more negative views towards China (Fordham and Kleinberg 2011). Individuals who seek to expand trade with other states have greater incentives to maintain peaceful relations in order to maintain trade flows. Individuals who suffer from such exchange have less incentive to do so. In some

cases, even if they do not actively seek conflict, the fact that their favored policies inflict material harm on another state—along with the potential for retaliatory escalation—may make avoiding conflict difficult. In other cases, protectionist policies may actually be used to augment other foreign policy instruments as a means of undermining strategic competitors.

Of course, there is no reason that economic actors who seek protection at home might not also seek access to markets elsewhere. This set of preferences is problematic to the extent that the primary means of securing access to overseas markets is through reciprocal reductions in trade barriers. Indeed, export interests often favor reductions in domestic tariffs for exactly this purpose. In principle, however, a state could seek access to a relatively narrow set of markets in areas whose exports do not compete with the goods and services it produces. It might also attempt to establish a trading regime that promotes its exports while protecting its domestic producers. Of course, most other states are unlikely to accept such an arrangement readily, so establishing it might require the exercise of political and military power. As we shall see in the next section, this protectionist market-seeking was common in the years before World War I, and was a cornerstone of American foreign policy during that era.

Trade, Protectionism, and American Foreign Policy, 1890-1914

The politics of American foreign policy are often understood as a debate over the level of foreign policy activism. On one side are internationalists, who prefer greater foreign policy activism. On the other are "isolationists," or, less pejoratively, anti-interventionists, who prefer less of it. This schema may be useful for periods when the likely enemies of the United States are powers whose ideologies most Americans abhor, such as fascism or communism. Indeed, the labels emerged from the debate over American intervention in World War II. Unfortunately, this understanding

of the politics of foreign policy is misleading for periods when the United States lacks such an ideological enemy, and the goals of foreign policy, rather than merely the level of activism, define the political stakes. The years between 1890 and 1914 were one such period.

The 25 years before World War I pitted two different visions of American foreign policy against one another. While one indeed required greater "activism," their divergent policy goals were more important. The leading foreign policy makers in the dominant Republican Party, including Theodore Roosevelt and Henry Cabot Lodge, among others, wanted the United States to become a world power. Their view of what this meant was undoubtedly shaped by the behavior of other major powers at the time. These states actively sought spheres of political influence and economic predominance—sometimes formal, sometimes informal—and built the military power necessary to maintain them. For the United States, this meant a larger navy comprised of modern battleships. The writing of Alfred Thayer Mahan on naval power was influential on this point, but the practical demands of reaching the places where the United States actually projected its power might have pointed to a larger navy even without the theoretical underpinnings his work provided. The efforts of other major powers to build their own imperial spheres of influence were the most important potential barrier to greater American power, so Republican policy makers understandably viewed these states with suspicion. They were not ideological enemies but they were rivals. Cooperation with them was likely to be limited to instances where interests happen to coincide.

The Republican view of foreign policy was the most important and best developed, given their control of the White House from 1897 through 1913. It was not the only one, however. Democrats, as well as some liberal Republicans, suggested an alternative to the naval construction and empire-building associated with the McKinley and Roosevelt administrations.

They pointed out that the United States had never aspired to be like the European powers. For them, the pursuit of great power status was dangerous "jingoism" likely to embroil the United States in unnecessary wars such as the one waged in the Philippines after 1898. They argued that the maintenance of colonies whose people were not destined for statehood and American citizenship was a dangerous departure from American ideals and institutions. Their view was not "isolationist" in the later sense of the term. They tended to have greater faith than their opponents in the value of international agreements providing for arbitration and the peaceful settlement of disputes. In moments of crisis, such as the confrontation with Britain over the Venezuelan border with British Guyana in 1895-6, they suggested that greater cooperation with other major powers was possible.

These contrasting views of the role of the United States in the world were not free-floating ideas. While each line of thinking had its share of writers and thinkers who gave the policies associated with them intellectual coherence, neither would have been important without a substantial coalition behind them in American politics. Many politically important participants in these coalitions almost certainly knew little about detailed arguments behind the positions they advocated. For instance, most of the Southern politicians who advocated a cooperative and pacific view of relations with other major powers were far from cosmopolitan on other political issues. In understanding why foreign policy debates formed around these two poles, it is important to examine the political and economic underpinnings of the coalitions behind them, not just the intellectual arguments supporting their positions.

As we noted earlier, most accounts of the political economy of American foreign policy during this period, from the Wisconsin School to more recent political science analyses, have emphasized the drive for overseas markets. The extent of frank discussion about trade and

investment interests in writing on foreign policy before World War I is indeed striking. However, the broad consensus on export markets is only half the story when it comes to the role of trade in American foreign policy. The other half is the extensive controversy over the tariff. The differences between the two major parties on broader foreign policy issues make little sense until one considers the role of trade protection, not just export-promotion.

The United States had maintained relatively high tariffs since the Civil War. These tariffs served the interests of the manufacturing sector. American agriculture, particularly cotton, was highly export-oriented and saw little benefit from trade protection. As Figure 1 shows, cotton comprised roughly one quarter of all U.S. exports between the Civil War and World War I. By contrast, even after years of public and private efforts to promote manufactured exports, these remained far less important. Indeed, the broad set of manufactured exports depicted in the graph only approached the value of tobacco and wheat late in this period. Because the tariff increased the price of manufactured goods in the United States while leaving those of all but a few agricultural products unchanged, the tariff effectively transferred income from those involved in agriculture to those engaged in manufacturing. As one scholar explained in the *North American Review*, "[o]ur farmer sells on the basis of Liverpool prices in the market of the world. He buys home productions at a protected price, and thus he is hit both ways" (Selbie 1893, 254).

[Figure 1 about here.]

Support for these tariffs was closely bound up with the party system. As Figure 2 illustrates, American manufacturing was heavily concentrated in the Northeast, where the Republican Party was strongest. There was very little manufacturing activity in the South, where agriculture was most export-oriented. Bensel (2000, 457-509) argues that the tariff was an essential component of Republican policy, providing funds for Civil War pension system as well

as protecting manufacturing jobs and profits in the Northeast. Significantly, the tariff also provided funding for naval construction (Trubowitz 1998, 50). Income from the tariff permitted party leaders to uphold the more divisive elements of their platform, such as adherence to the gold standard. More than 99 percent of Republicans in Congress voted for trade protection between 1888 and 1897. Less than 4 percent of Democrats took this position.

[Figure 2 about here.]

The Republican commitment to trade protection illuminates many features of their broader foreign policy. First, it explains their interest in less-developed markets. The writing on trade and foreign policy examined in most Wisconsin School accounts stresses potential markets in Latin America (e.g., LaFeber 1963) and East Asia (e.g., McCormick 1967). The origin of this regional orientation receives little attention in these works, but it is actually quite surprising given the regional distribution of American exports, depicted in Figure 3. Then as now, the relatively poor markets in less-developed countries purchased a far smaller share of American exports than did wealthier European states. Indeed, even many of the exports to Asia and the Americas actually went to the relatively developed markets in Canada and Japan rather than to poorer countries.

[Figure 3 about here.]

The preference for less-developed markets among Republican policymakers makes sense in light of the commitment to high tariffs on manufactured products. European retaliation against these tariffs made them less attractive as a future market for manufactured goods. Republican presidents sometimes chafed at the problems the tariff posed for access to European markets, but they were unable to change the political reality. The McKinley administration negotiated a series of reciprocity agreements with European states that would have required some tariff reductions.

The National Association of Manufacturers held a special "Reciprocity Convention" in Washington, D.C., that provided a high-profile platform for criticism of these agreements when they were before the Senate. Afterward, the newly inaugurated Theodore Roosevelt tempered his support for the treaties and the Senate refused to ratify any of them (Hoxie 1903, 208–9). Writing after the Convention one observer noted that "[w]hen we go outside the lines laid down in the last Republican National platform favoring treaties that 'open our markets on favorable terms for what we do not ourselves produce,' it is very difficult to make a reciprocity treaty not in conflict with the protective tariff" (Gibson 1901, 477).

Republican policy makers stressed less developed markets because these trading partners would not export manufactured products to the United States, and thus would demand no reduction in American tariffs on manufactured products. As Whitelaw Reid (1900, 41-2) put it when explaining the value of the Philippines as a gateway to markets in Asia, trade with this region would be "a trade with people who can send you things you want and cannot produce, and take from you in return things they want and cannot produce..." He contrasted markets in Asia with Atlantic trade, "with people as advanced as ourselves, who could produce or procure elsewhere much of what they buy from us, while we could produce, if driven to it, most of what we buy from them. It is more or less, therefore, an artificial trade as well as a trade in which we have lost the first place and will find it difficult to regain."

A more aggressive foreign policy backed by substantial power-projection capability was critical for access to these less-developed markets. Internal political conflicts like the Boxer Rebellion in China disrupted trade and sometimes prompted American military intervention. Such interventions were far more frequent in the Caribbean Basin. In the Western Hemisphere, American policymakers also worried that local disorder would give European powers an excuse

to intervene militarily and perhaps even expand their colonial empires into the region. This concern was the reason for the 1903 "Roosevelt Corollary" to the Monroe Doctrine (Hannigan 2002, 31-4). Rather than allow European powers to protect their economic interests in the hemisphere with military force, the United States would effectively intervene on their behalf, establishing customs receiverships where necessary to insure repayment of international debts. In short, the pursuit of less developed markets brought the United States into political-military competition with other major powers.

In view of other major powers' frank colonial ambitions during this period it is not surprising that Americans interested in gaining access to less-developed markets commonly sought this access on a preferential basis. Public discussions of American interests in Latin American markets frequently turned to the need to "exclude European productions from our Latin neighbors," as one manufacturer put it during a 1901 Reciprocity Convention (National Association of Manufacturers 1901, 41). Important Republican policymakers such as Henry Cabot Lodge argued that the United States had a "rightful supremacy" in Latin America and that its position in the hemisphere should be defended "peaceably if we can, forcefully if we must" (Lodge 1895, 651-8). This was not mere rhetoric. Republican presidents sought to expand access to Latin American markets through strictly bilateral reciprocity agreements. Adopting a conditional interpretation of most-favored nation status, they refused to extend the tariff concessions granted under these agreements to other states (Jones 1908; Viner 1924). Though they were not always successful in getting Latin American trading partners to go along, they tried to persuade them not to extend trade concessions granted to the United States to European states (Taussig 1910, 240).

Such an opportunistic commercial policy implied hostile relations and perhaps even military conflict with other major powers. These states' foreign policies threatened American access to less developed markets. Moreover, parallel American efforts to obtain exclusive economic access, especially in Latin America, would inevitably inflict material harm on these other powers. Among observers who favored trade protection or took its presence for granted, commentary about the inevitability of political and military conflict over control of markets was common. Brooks Adams and Alfred Thayer Mahan are perhaps the best remembered of those writing in this vein, but they were not alone (Adams 1900, 26-53; Mahan 1987 [1890]). Proponents of commercial expansion in less developed markets commonly discussed economic competition using military metaphors such as "peaceful combat," "conquer[ing] by commerce," "peaceful conquest" and the like (Eddy 1891, 421; Blaine 1892, 522; Carter 1894, 431).

Then as now, advocates of free trade objected that trade was not a zero-sum endeavor. Edward Atkinson (1896, 84) wrote during the dispute with Britain over the Venezuelan border with British Guiana that "[t]he mediaeval error that in all commerce what one nation gains another must lose, is one of the most potent causes of the animosity against England which now depraves the minds of many people in this country." Protectionist Republican policymakers preferred the militarized language, which sometimes threatened to become more than a metaphor. As one harsh but not entirely inaccurate Democratic critic summarized their perspective, "[i]ts spirit is that of conquest; its first reason, as well as its last, is force" (Gray 1895, 424).

The bottom line is that the Republicans' protectionist commercial policy, coupled with their commitment to finding overseas markets for American manufactures, demanded an aggressive posture toward other major powers. American protectionism inflicted material harm

on exporters in the other major powers, and effectively ruled out trade agreements with developed states. Access to the less-developed markets that were to serve as a substitute required power-projection capability in the form of a battleship navy and a system of bases to support it. This, too, threatened the interests of the other powers just as similar activity on their part threatened American policy goals. With these unpromising premises, it is no wonder that Roosevelt and other Republicans who presided over American foreign policy during this period were skeptical of the prospects for international cooperation.

Hypotheses and Research Design

In an earlier paper, we examined elite threat assessment during the 1890-1914 period using data on congressional speeches given during naval appropriations debates (Flynn and Fordham 2013). Here, we turn to actual roll-call voting on several critical policy issues. Bellicose (or pacific) rhetoric might not always line up with actual voting. As the discussion above explains, the foreign policy that emerged under Republican presidents during the period we are considering here rested on three pillars: (1) the construction of a battleship navy to project American power; (2) the willingness to use force in order to maintain economic access and political influence in less developed areas; and (3) a suspicion of the prospects for cooperation with other major powers. We will examine congressional votes in each of these areas to test our argument about the economic sources of support for the new foreign policy. In this preliminary version of our analysis, we will consider only support for naval spending from 1890-1903. We are still in the process of identifying roll-call votes on naval construction between 1903 through 1914, as well as about the other two issue areas.

Our analysis builds up previous work by political scientists such as Trubowitz (1998) and Narizny (2007), but adopts a somewhat different approach to testing our argument. This earlier work, while providing extensive descriptive data, focused on highly aggregated geographic regions as units of analysis (i.e., Northeast, South, and West), relying on aggregated national and regional statistics to illustrate general patterns and changes in the economic landscape and foreign policy. Though their analyses show that the North (South) favored (opposed) more aggressive and expansionist policies, such as a naval buildup, the tariff, and territorial expansion, there was still substantial variation in voting behavior within each region. For example, the 1898 Dinsmore Amendment to recognize Cuban independence yielded vote totals of 95.8% support for New England states, 87.8% for Middle Atlantic states, and 73.7% support for the Great Lakes states—all classified as Northeastern in Trubowitz's regional identification scheme. These differences are even more pronounced when we look at the South and West. The Southeast produced 20.3% support while the Southwest only yielded 4.0%. Similarly, the Great Plains, Mountain West, and Pacific Coast supported the amendment at rates of 54.2%, 0.0%, and 45.5%, respectively. Substantial between and within-region variation can be observed across several votes concerning similar issues and within a relatively short period of time.³

The use of aggregated roll-call voting statistics for geographic regions also precludes a more comprehensive analysis individual legislators' preferences and voting behavior. Neither we nor these other scholars wish to argue that economic interests are the only considerations that influence the politics of foreign policy. However, the influence of party affiliation as well as other, individual-level factors is difficult to assess without using the individual legislator as the unit of analysis. Sorting out these influences is important because of the high degree of collinearity between partisanship, geography, and economic interests. Democrats almost

³ See Table 2.1 in Trubowitz (1998, 54) for more information on these votes and their regional breakdowns.

completely controlled the South during this period. Similarly, Republicans dominated the industrial Northeast, though there were also Democratic members of Congress from this region. Some regional patterns might arguably be due to party rather than differences in economic interests. Variation in party control within each region, as well as state-level differences in the extent of manufacturing, offer a way of soring out these influences, but only by examining individual legislators.

Our account of the economic sources of support for the new foreign policy implies several testable hypotheses about roll-call voting. First, the economic interests of manufacturers, and the protectionist policies they supported, necessarily put them at odds with their overseas competitors—particularly those in Europe. This endangered the interests of agricultural exporters, for whom these were their best customers. Manufacturing interests were closely tied to other aspects of the foreign policy as well. The construction of an isthmian canal, for example, would not only facilitate the more rapid transportation of goods from the Atlantic to the Pacific, but it would also greatly enhance the ability of the Navy to maintain a strong presence in the Pacific. However, many legislators and policymakers expressed concern over the potential vulnerabilities that such a canal would bring. For example, rival powers could seize the canal to inhibit the movement of American ships during a conflict (Mahan 1914). Such concerns should be most acute among the same segments of society that had a direct economic interest in the use of the canal for commercial purposes, or who would benefit from the construction of ships and weaponry used to protect the canal. Northeastern manufacturers would benefit from the canal, as it would provide for faster and cheaper transportation of manufactured goods from northern ports to Latin America and East Asia. Accordingly, we expect that legislators representing manufacturing intensive districts should be more likely to support the new foreign policy.

H1: The size of the manufacturing sector in their home state is positively associated with support for naval construction, support for intervention, and opposition to plans for multilateral cooperation.

In addition to the importance of controlling for potential sources of spurious support for our argument, considering other effects on roll-call voting alongside those of economic interests provides a way of assessing the substantive importance of our principal independent variable. Our analysis will consider several other influences. Party is especially important. It is closely related to regional economic interests, but not entirely reducible to them. We have noted the strong relationship between the Republican Party and support for the tariff during this period. The Northeast was the center of the American manufacturing sector during this period, and Republicans enjoyed strong electoral support throughout the New England and Great Lakes regions. Accordingly, the interests of Republican legislators from this area were closely tied to the interests of manufacturers—hence strong Republican support for the tariff, but also for the more assertive policies that were associated with securing access to markets in less developed countries. By contrast, the Democratic Party found its primary base of electoral support in the more agrarian areas of the South and West. More peaceful relations with other major powers best served the economic interests of these areas, which relied on developed markets for their agricultural products. Given the strong ties between the Republican Party and manufacturing, and the Democrats and agriculture, we may expect partisanship to exert a strong effect on voting behavior as well. The positions of the two parties exerted an independent effect, however, because they influenced partisans whose constituents did not share these core interests. These members needed the support of their co-partisans on other issues. Even legislators with relatively low manufacturing scores might thus still support the party's preferred foreign policies.

H2: Republican legislators are more likely than Democrats to support naval construction and intervention, and to oppose plans for multilateral cooperation.

A range of members' personal background traits and experiences also influence their votes on foreign policy. Legislators with a military background should be more likely to favor expansionist and pro-military policies. This expectation applies more to officers than former enlisted personnel. At this point in time the American military was relatively small and most legislators with military experience had acquired it during the Civil War. Even the overarching command structure of the military was smaller than it is today, with the highest rank being that of major general. Accordingly, serving as an officer during this time period was relatively rare. Given the selectivity and responsibilities associated with being an officer, these individuals may be more sensitive to the global climate than individuals who—while having served in the military—did so in the enlisted ranks.

H3: Having previously served as an officer is associated with support for naval construction, support for intervention, and opposition to plans for multilateral cooperation.

Lastly, although we have mixed expectations concerning the effect of education, we will consider its possible effects here because we used it as a predictor of speeches concerning the international environment in our earlier work. First, we might expect a college education to be positively correlated with pro-military and expansionist policies. As the work of the Wisconsin School demonstrates, the periodical literature of this period tended to favor the interests of the wealthier and more developed Northeast, where most of it was produced. To the extent that educated people read more of this literature, they might adopt the foreign policy positions associated with it. Alternatively, a college education might also lead individuals to prefer more

peaceful means of dispute resolution. In recent years for which polling data are available, education is most often negatively related to support for the use of military force.

H4: We expect a college education to be either positively or negatively correlated with support for pro-military and expansionist policies.

In order to test these hypotheses we have compiled a dataset consisting of 40 votes on naval appropriations in the House and Senate during the 51st–57th congresses (1889-1903). We identified an initial set of votes using the Voteview software developed by Poole and Rosenthal (2014). Using the *Congressional Record*, we then determined whether each vote supported or opposed the naval construction program. We used these data to estimate a probit model with the legislator-vote as our unit of analysis. Our dependent variable is a dichotomous indicator of whether the legislator supported naval construction, or opposed measures to cut it, in each of the 40 votes. Thus affirmative votes on a pro-navy measure, or negative votes on an anti-navy issue, were coded "1." Anti-navy positions were coded "0." The final dataset consists of 6,141 observations.

Our primary independent variable captures the strength of the manufacturing sector in each state. Specifically, we use the proportion of each state's workforce employed in the manufacturing sector in 1900. These data were obtained from occupational census data from the 1900 census (United States Census Bureau 1901). Although the census data only provides state-level figures rather than information on individual congressional districts, this should not bias the results in favor of our hypotheses. In fact, the measurement error resulting from the use of state-level data should bias our findings against our hypotheses. We expect this variable to be positively correlated with support for pro-military and pro-expansionist policies.

We also include variables to capture various other characteristics of individual legislators. We include a dummy variable indicating whether or not a legislator is a Republican (1) or a

Democrat (0). We also include a dummy variable indicating whether or not a legislator had previously served as an officer in the army or navy (1 = yes; 0 = no). Lastly, we include a variable identifying whether or not a legislator had received a college education (1 = yes; 0 = no). Voteview provided our party affiliation variable as well as the voting record of each member of Congress (Poole and Rosenthal 2014). We obtained data on military service and education from ICPSR and McKibben (1997).

As a robustness check, we will also estimate a model including additional state-level variables that may be correlated with support for pro-military and expansionist policies. First, we include a variable to capture the share of the state's workforce that is employed in shipbuilding. It is possible that manufacturing is simply serving as a proxy for these narrower interests. This variable is also taken from the 1900 occupational census data (United States Census Bureau 1901). Next, we include a variable identifying whether or not the vote takes place in the Senate. Because they have a greater role in foreign policymaking, and may get greater pressure from the executive to support its position, Senators might have a higher baseline probability of supporting pro-navy measures. Third, we include a variable indicating legislators from coastal states. Coastal states might benefit economically from shipbuilding projects that come along with a naval buildup. They are also more exposed to naval threats. States on the west coast, for example, did not enjoy the direct economic benefits from shipbuilding and manufacturing that those in the northeast did during this time period, but congressional debates indicate that legislators from coastal areas were sensitive to their potential vulnerability in the event of an attack, with some arguing for an even larger naval buildup so that the fleet could be split between the two coasts. Lastly, we control for the size of a state's congressional delegation. The potential for error in our state-level measurement of manufacturing should be greatest in the case of larger

states, where there should be greater variation in the economic composition of the state's economy.

Finally, we include fixed effects dummy variables for each individual vote in all our models. These control for the variation in the content of each vote. A wide range of considerations may prompt more or less support or opposition on a given roll-call, thereby affecting the baseline probability that a given legislator will vote in favor of it.

Results and Discussion

Table 1 displays the results of five probit models using the variables described above. Model 1 shows the results of the most basic model evaluating the relationship between economic interests and support for pro-military policies. Models 2–4 control for additional individual-level legislator characteristics. Finally, Model 5 includes the last set of variables that could influence legislators' support for pro-military policies set out in the last section.

We find strong support for our first hypothesis concerning the link between the size of the manufacturing sector and support for naval construction. The size of the manufacturing sector has a positive and statistically significant correlation with pro-navy votes across all five models shown in Table 1. We also find strong support for our second hypothesis concerning the relationship between the Republican Party and pro-navy policies. Republicans were indeed more likely to support naval construction, but this relationship does not remove the evidence that the manufacturing sector played a role. The model including party affiliation offers a very conservative estimate of the effect of economic interests. To the extent that states that benefited more from the new foreign policy were more likely to elect representatives from the party that

most supported this policy, part of the effect of party is actually due to economic interests. We will have more to say about the substantive importance of the relationship below.

We also find support for the hypothesis regarding prior service as a military officer. Approximately one-quarter of the legislators observed in our data had been military officers. The results from Models 3–5 yield robust support for the hypotheses that these members were more likely to cast pro-navy votes than were non-officers. On the other hand, we found little evidence of a relationship between college education and voting behavior. Model 4 shows a negative coefficient on college education, which is significant at the .10 level. However, this variable no longer attains statistical significance in Model 5. There is little evidence that this failure to attain significance is a result of multicollinearity—the college education dummy is not highly correlated with any of the other covariates.⁴

Model 5 introduces additional variables that may be correlated with foreign policy preferences. As we discuss above, manufacturing may be a proxy for narrower interests—particularly shipbuilding—the most immediate beneficiary of increased naval construction. However, the manufacturing variable remains positive and significant even after we introduce this new variable, which itself is positive and significant at the .10 level. The coefficient indicates that the probability of observing a pro-Navy vote should increase with the size of the shipbuilding industry, but this does not account of our findings concerning manufacturing. Similarly, the coastal state variable is positive and significant but does not greatly affect the size or significance of our manufacturing variable. The Senate dummy variable and the size of the state's delegation were not statistically significant.

⁴ In Model 5, all pairings of the college variable with the other independent variables produces a correlation coefficient $\leq .09$.

As noted earlier, one of the advantages of our approach over that taken in earlier studies is in sorting out the effects of partisanship and economic interests in shaping legislative support for more assertive and aggressive foreign policies. Our results indicate that both variables have a substantial effect. To better illustrate the size of these relationships, Figure 4 plots the predicted probability of observing a pro-Navy vote as a function of manufacturing sector size and partisanship.⁵ The predicted values were generated using Model 4 from Table 1.⁶ The X-axis reflects the approximate range observed in the estimation sample. For both parties, a larger manufacturing sector in their home state increases the probability that a legislator will vote in favor of a larger navy. While a larger manufacturing sector increases the probability of a pro-navy vote, Figure 4 also shows that there is a large difference between the Republican and Democratic parties across all sizes of the manufacturing sectors. When manufacturing sector size is 0, the baseline probability of a pro-Navy vote is approximately .69 for a Republican but only .14 for a Democrat. For Republicans, a change to the highest value for the manufacturing variable increases the predicted probability to approximately .98. The same increase in the size of the manufacturing sector yields a predicted probability of about .69 for Democratic legislators. The estimated effect of party and economic interests are similar in magnitude and substantively quite large. It is also worth remembering that part of the effect of party is probably due to the influence of economic interest on the probability that a Republican or Democrat is elected in the first place.

One additional point should be made. This time period is often noted for the close association between northeastern manufacturing interests and the Republican Party on the one hand, and the agrarian areas of the south and west and the Democratic Party on the other. One

⁵ All predictions generated using CLARIFY (Tomz, Wittenberg, and King 2001).

⁶ The officer and college variables are set to their respective modal categories—0 and 1.

might object to the comparisons in the previous paragraph because the range of values in the size of the manufacturing sector associated with each party seems unrealistic. However, some Republicans represented areas with little manufacturing and some Democrats represented areas with a lot of it. Figure 5 shows the density of the manufacturing variable from the estimation sample when divided by party. As this figure indicates, the Democratic Party is skewed towards the lower end, but there are Democratic legislators representing areas that have relatively high values on the manufacturing variable. And while the Republican Party variable is more normally distributed, there are Republicans representing more agrarian areas as well. So while such observations might not be the modal category, the preceding discussion is useful as it sheds more light on how party and economic interests contribute to the positions taken by legislators in congressional voting on foreign policy issues.

The relative impact of a legislator's prior service as a military officer also sheds some light on the substantive importance of the manufacturing sector. Figure 6 shows the predicted probability of observing a pro-navy vote by party and military experience. The manufacturing and college variables are held at their mean and modal values. The two point predictions on the left display the predicted values for non-officers, while the two point predictions on the right show the values for legislators who had previously served as a military officer. Although the coefficient estimate for the officer variable is statistically significantly different from 0, figure 6 shows that there is no substantively important difference between officers and non-officers. Indeed, the magnitude of the coefficient on the Republican dummy variable is approximately 9.5 times larger than the coefficient on the officer variable. (Because the manufacturing sector is not a dummy variable, this same comparison is not meaningful.) The reasons former military officers

might support a larger Navy are intuitively easy to understand, but they turn out to be far less important than party or economic interests.

Lastly, the variables for coastal states and the shipbuilding industry are both statistically significant in Model 5. We show the relative impact of these variables in two additional figures based on Model 5. Figure 7 displays the predicted probabilities of a pro-navy vote based on partisanship and whether or not the legislator is from a coastal state. As we discuss previously, representatives from coastal states may support such policies because they feel vulnerable to foreign aggression. Though the magnitude of the coastal variable's coefficient is slightly larger than the one on the officer variable, we again see that while the coefficient is statistically significant, the predicted values are not statistically significantly different from one another. Indeed, partisanship once again drives the greatest differences.

Figure 8 displays the predicted probabilities of a pro-navy vote by party and the size of the shipbuilding industry in a state. Though we again see differences between the two parties, there is not a statistically significant change in the predicted probabilities across the range of the X-axis as displayed in Figure 8. Though the shipbuilding coefficient is relatively large, the actual range of observed values is incredibly small, from 0 to .0042. Unlike the manufacturing variable, the size of the shipbuilding sector is highly skewed towards 0, with only 23% of the observations having positive values, and only 13% of observations being greater than 0.001. Accordingly, the actual observed magnitude and variation of the shipbuilding industry is not associated with a statistically significant increase in the probability of observing a pro-navy vote by the legislators representing these interests. Voting on naval construction reflected the broader economic stakes in foreign policy associated with the manufacturing sector as a whole rather than narrower shipbuilding interests. As Fordham (2008) found for the postwar era, economic interests shaped

the politics of military policy, but not mainly through the parochial channels that have preoccupied some research on the military-industrial complex.

Conclusion

The evidence presented here is preliminary. It rests on roll-call votes from only about half the time period we eventually plan to cover, and on only one of three issue-areas we will ultimately consider. Nevertheless, the results thus far strongly support our claim that the cleavage between manufacturing and agriculture over trade protection shaped the politics of American foreign policy during the 1890-1914 period. The size of the manufacturing sector influenced the probability that members of Congress would support naval construction, even when one controls for party affiliation, the size of the shipbuilding sector, and whether or not the member represented a coastal state. Moreover, this effect was quite strong, comparable to that of party affiliation. It had greater impact than arguably more intuitive individual-level considerations such as whether the member had served as a military officer before coming to Congress.

Although the period we examine in this paper ended a century ago, our findings nevertheless have some current theoretical as well as historical interest. There is substantial evidence that economic interests play a significant role in shaping American foreign policy on both economic and security issues but nearly all of it comes from the period since 1945. The United States was the leading world power, so the consequences of its foreign policies were far-reaching, and the resources involved were enormous. Our findings suggest that economic interests were important even in the very different domestic and international political environment that prevailed before 1914, when the stakes were quite a bit lower. The interests of

particular economic actors clearly change over time—the manufacturing sector did not remain the principal force for protectionism forever—but their influence over foreign policy persists.

The argument that economic interests arising from international trade played a major role in shaping American foreign policy before World War I. As we noted earlier, historians of the Wisconsin School as well as some political scientists writing more recently, have argued that demand for overseas markets was very important. However, the role of protectionism has been slighted. The dominant Republican Party's commitment to trade protection gave its pursuit of overseas markets a special character it would not have had without it. Without considering trade protection, it is difficult to understand the reasons for its concern with relatively poor less-developed markets, particularly when the pursuit of these markets required the construction of expensive power-projection capability and raised the prospect of conflict with other major powers.

The role of trade protection in this case points to the potential importance of the fit between different policies in understanding why policymakers select each one. This point, too, applies beyond the historical focus of this paper. Policymakers cannot consider a particular policy in isolation, but must assess its fit with the others they plan to pursue at the same time. In this case, trade protection on manufactured goods would have fit poorly with policies that required extensive cooperation with other developed states. One can find similar linkages in other historical settings. For instance, the Republican Party's commitment to relatively small government in the 1940s and 1950s did not fit well with the level of military spending prevailing at the end of the Truman administration. This led them to seek alternative force structures that substituted relatively cheaper nuclear options for more expensive conventional forces (Fordham 2002). Because budgets, political coalitions, and the response of other states tie many apparently

independent foreign policy initiatives together—without respect to whether to the fact that some fall into the realm of "security" while others do not—it makes sense to consider them as a package.

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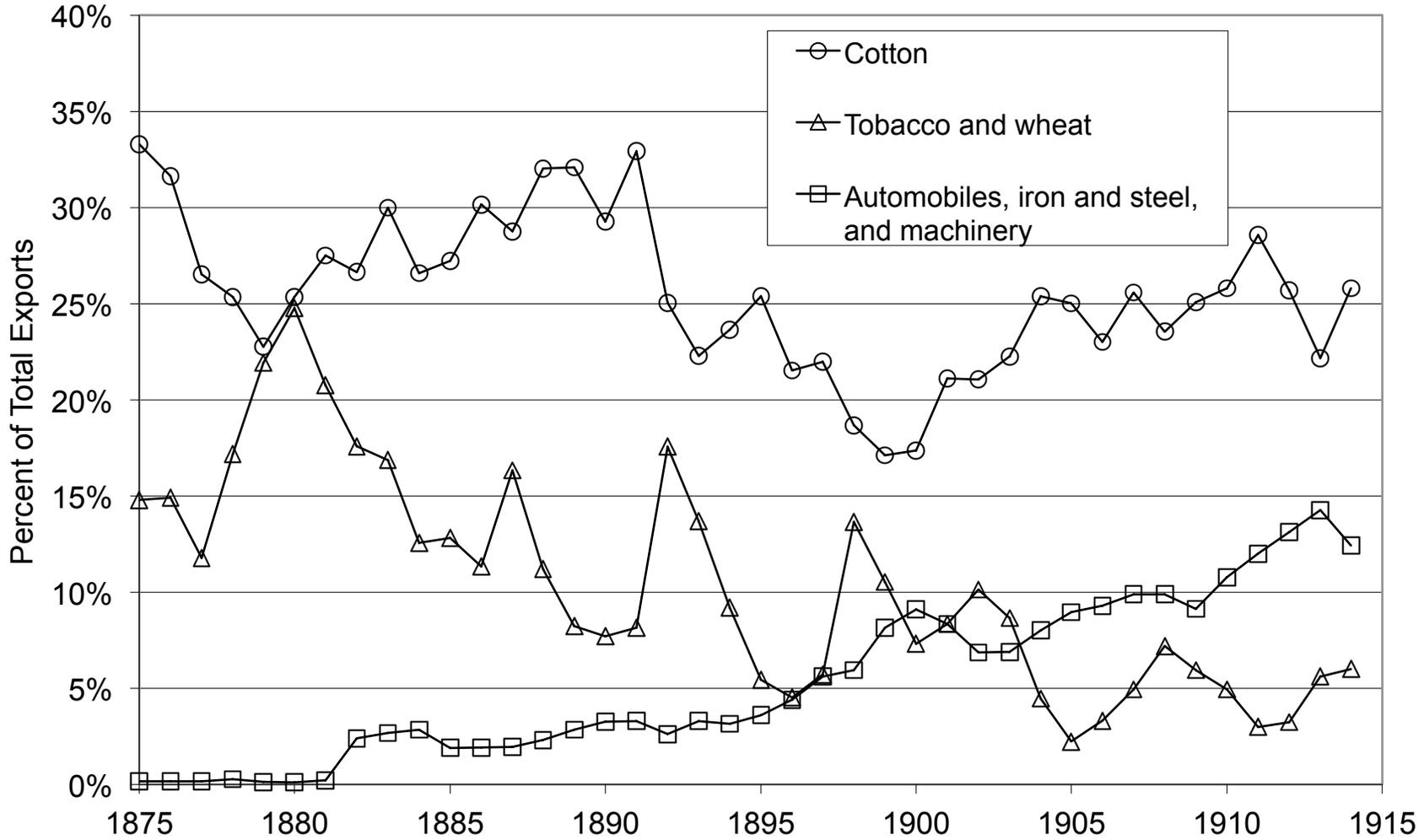
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Table 1
Manufacturing Sector Influence on Pro-Navy Voting Behavior

	(1)	(2)	(3)	(4)	(5)
Manufacturing Sector Size	4.887*** (0.166)	2.968*** (0.181)	3.062*** (0.184)	3.053*** (0.184)	2.503*** (0.224)
Republican		1.587*** (0.045)	1.589*** (0.045)	1.587*** (0.045)	1.670*** (0.049)
Officer			0.167*** (0.046)	0.168*** (0.046)	0.151*** (0.046)
College Education				-0.074* (0.039)	-0.057 (0.040)
Shipbuilding					44.096* (23.410)
Senate					0.060 (0.112)
Coastal State					0.211*** (0.043)
State Delegation Size					0.003 (0.002)
Log-Likelihood	-3561.418	-2824.552	-2817.234	-2815.519	-2800.690
Observations	6141	6141	6141	6141	6141

Robust standard errors in parentheses. Fixed effects for individual votes not shown. Two-tailed significance tests used: * $p < .10$, ** $p < .05$, *** $p < .01$

Figure 1.
U.S. Exports by Selected Commodities



Source: Historical Statistics of the United States

Figure 2.
Proportion of Workforce in the Manufacturing Sector, 1900

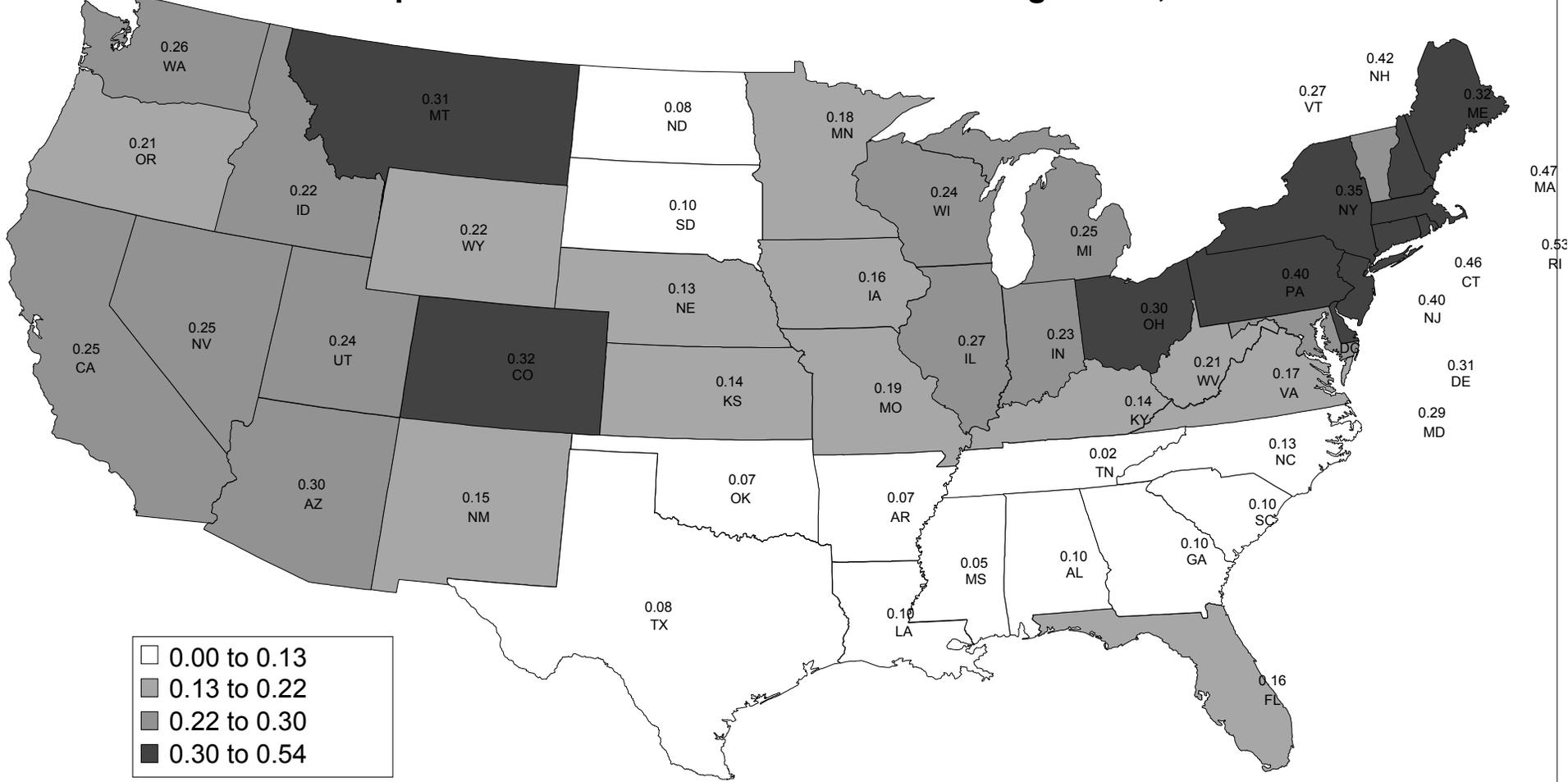
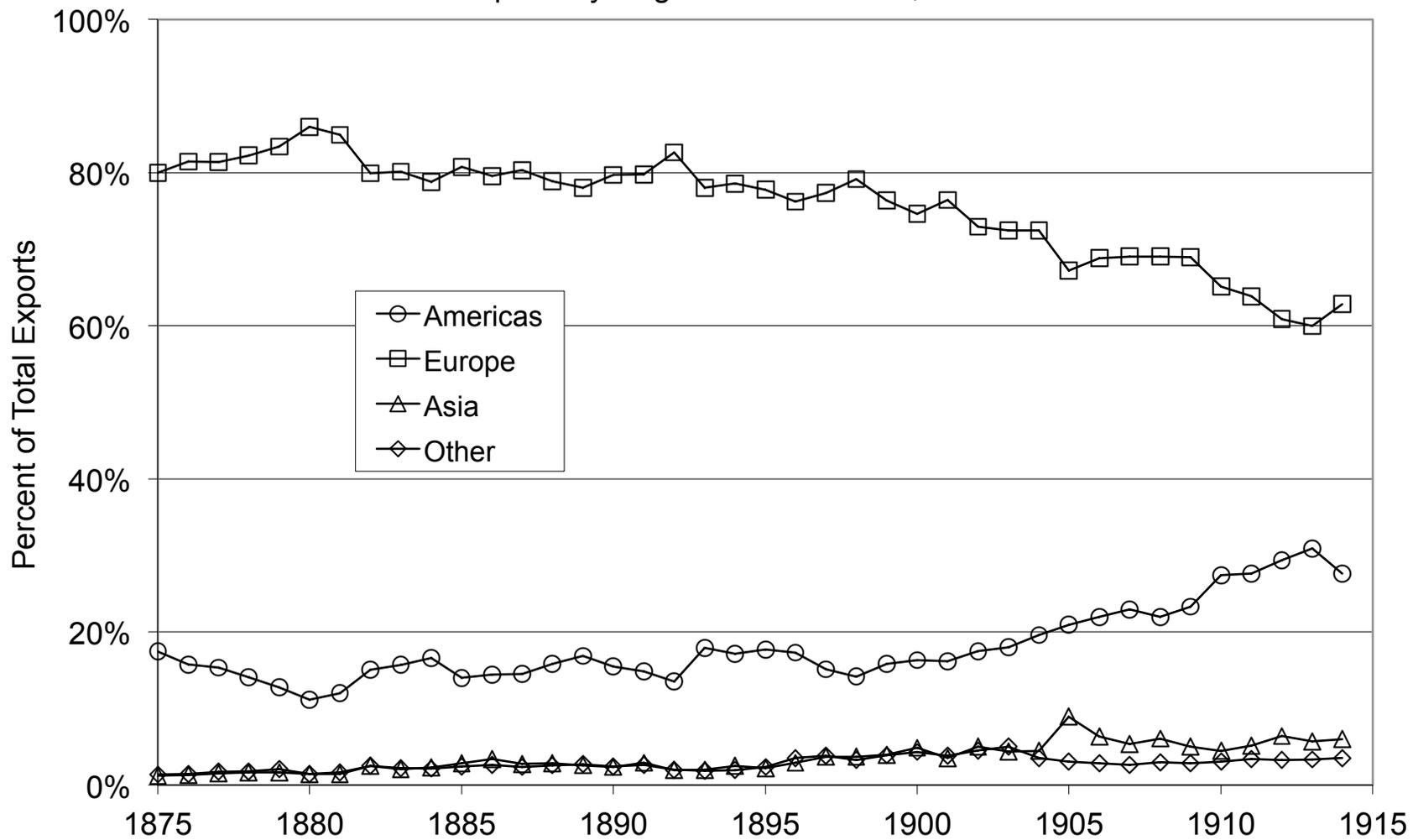


Figure 3.
U.S. Exports by Region of Destination, 1875-1914



Source: Historical Statistics of the United States

Figure 4. Predicted probability of a pro-military vote by party and manufacturing sector size. 95% confidence intervals shown. The red shows the predicted values for Republican legislators and the blue shows the predicted values for Democratic legislators. Range of X-axis represents the approximate range observed in the data.

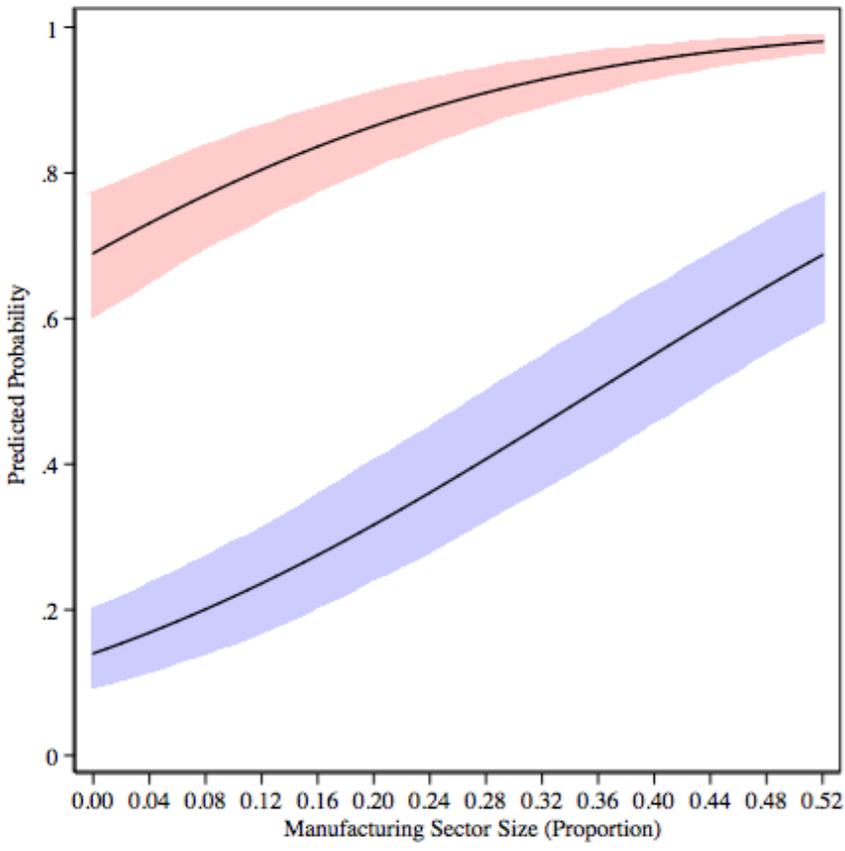


Figure 5. Density of manufacturing sector size by partisan affiliation.

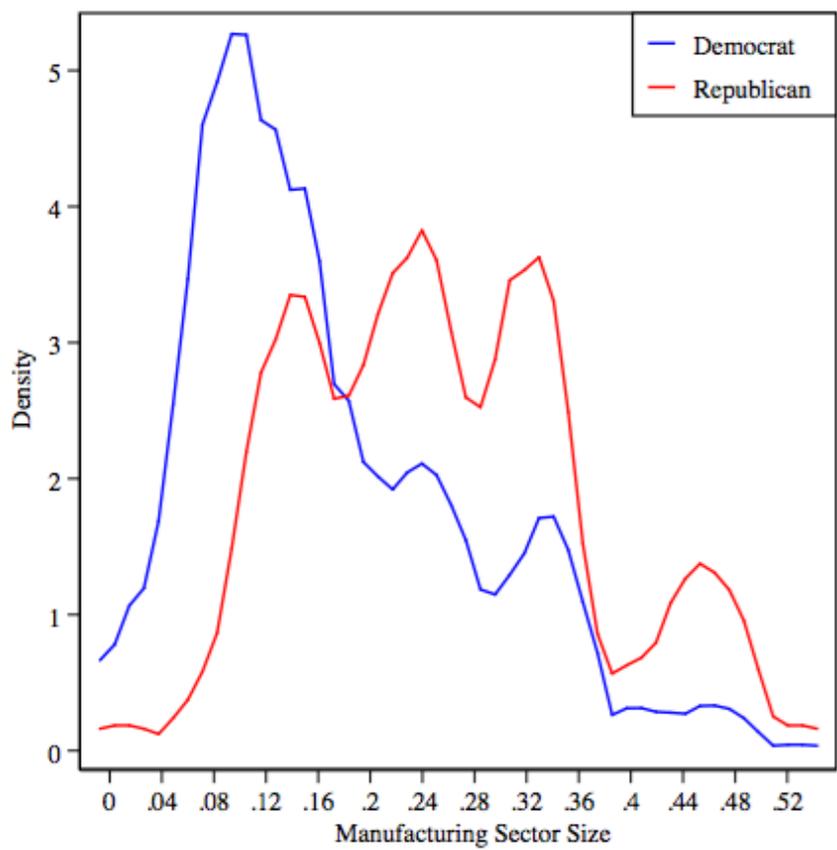


Figure 6: Comparison of predicted probabilities of pro-Navy vote by party and previous status as a military officer. 95% confidence intervals shown around point predictions

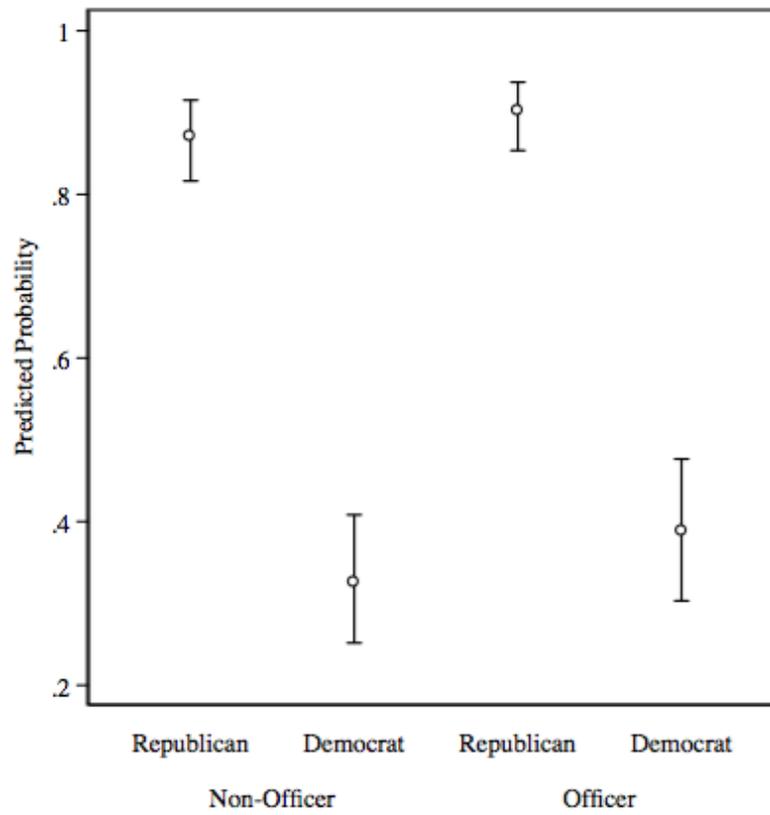


Figure 7. Comparison of predicted probabilities of pro-Navy vote by party and coastal versus non-coastal state. 95% confidence intervals shown around point predictions.

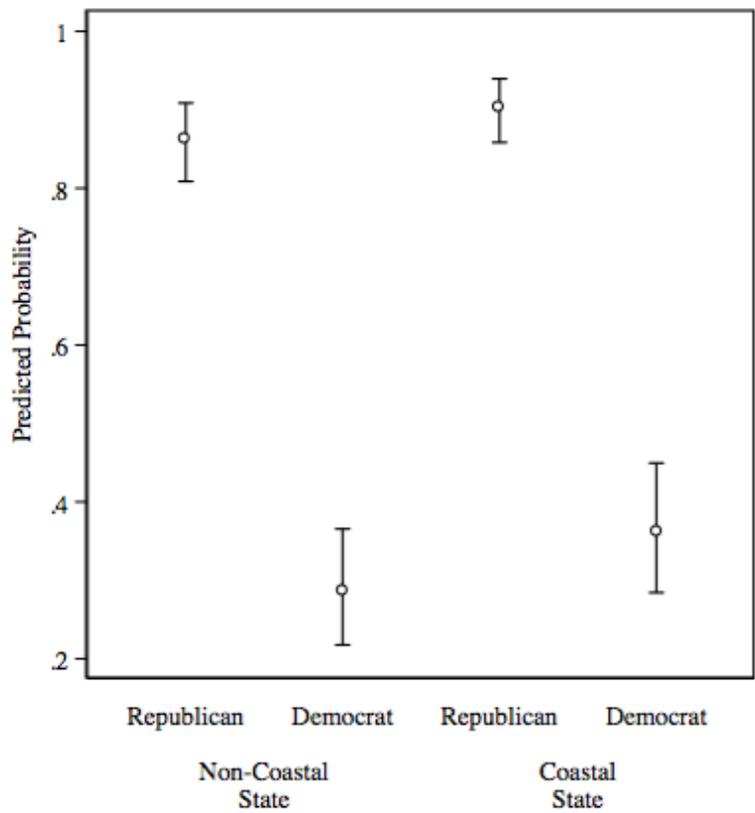


Figure 8. Predicted probability of observing a pro-Navy vote by party and shipbuilding industry size. 95% confidence intervals shown. X-axis represents approximate range of values observed in the estimation sample.

