DANIEL SAMSON

Industrial Colonization: The Colonial Context of the General Mining Association, Nova Scotia, 1825-1842

ACCORDING TO THE *COLONIAL PATRIOT*, the "coincidence" of two events would mark December 1827 as an auspicious moment in the history of Pictou County, and indeed of Nova Scotia more generally. The first event was the inaugural issue of the newspaper, itself designed to "invigorate" local society and "prove to every individual a stimulation to exertion".[1] The weekly's editor, Jotham Blanchard promoted "liberal principles" and "correct morals" and, like his heroes, Jeremy Bentham, John Stuart Mill and William Cobbett, maintained a laissez-faire position on economic issues and advocated regulation in the social sphere.[2] In an era when reform loomed large in England, the *Patriot*'s editor saw his stance as forward-looking and progressive; he thought his paper's advice and opinion were the path to "improvement", and all that was entailed by that most critical term of 19th-century social discourse. The other event the editor noted was the "arrival" of the "Royal Mining Association", or more correctly, the General Mining Association (GMA). Blanchard believed it would loom large in the county's future and represented a "harbinger of illimitable prosperity", but he overstated the "coincidence". The only "arrival" related to the GMA was that of their 20-horsepower steam engine; the resident manager, Richard Smith, had been on site since June with equipment and more than 100 miners and other tradesmen.

Blanchard enthusiastically extolled the virtues of the Association, and especially Smith, whose "constant and persevering labour furnishes a useful illustration of the way wealth and respectability are acquired in Britain". The newspaperman, although correct that Smith was a first-rate mining engineer, was evidently unaware that the Englishman was in Nova Scotia because he had lost the family fortune.[3] It is ironic

1 *Colonial Patriot* (Pictou) 14 December 1827. The author thanks Alison Forrest, Ian McKay and three anonymous reviewers for their very helpful comments. As usual, however, what is muddled is solely mine.

2 J. Murray Beck, "Jotham Blanchard", *Dictionary of Canadian Biography*, *XII* (Toronto, 1990), pp. 81-5. On social regulation and laissez-faire , see Michel Foucault, "On Governmentality", in Graham Burchell, Colin Gordon and Peter Miller eds., *The Foucault Effect: Studies in Governmentality* (Chicago, 1991), pp. 87-104; Christopher L. Tomlins, *Law, Labor, and Ideology in the Early American Republic* (Cambridge, 1993); and Keith Tribe, *Governing Economy: The Reformation of German Economic Discourse, 1750-1840* (Cambridge, 1988).

3 R.P. Fereday, "The Career of Richard Smith", *Acorn* [house magazine of Round Oaks Steel Works, Limited, Brierly Hill, West Midlands, England], chapter 1, and David Frank, "Richard Smith", *DCB*, *IX* (Toronto, 1976), pp. 730-2.

Daniel Samson, "Industrial Colonization: The Colonial Context of the General Mining Association, Nova Scotia, 1825-1842", *Acadiensis,* XXIX, 1 (Autumn 1999), pp. 3-28.

that this self-described liberal newspaper should wax enthusiastic about a royal monopoly. In part, Blanchard was merely singing the praises of something big, and obviously quite significant. Yet, for this disciple of the gospel of improvement, the combination of individual initiative and state-supported capital seemed a perfect fit.

The story of the GMA and its place in the history of the Nova Scotia coal industry has been told before.[4] By a "Royal Donation" from George III to his son the Duke of York "to relieve him from his Embarrassments", the Duke received a lease of mineral rights in the entire province.[5] The GMA, a group of London investors, subleased the mineral rights from the Duke, in exchange for reducing his debts and receiving a share of the anticipated profits. In the next ten years the Association invested more than £200,000 and elevated the province's mining industry from the "worse than useless" state in which the firm found it.[6]

Studies of the GMA have generally emphasized its foundational, though limited, impact on Nova Scotia, especially in relation to the coal industry's "takeoff" in the late 19th century. Employing a developmentalist logic, these works describe the GMA's activities in terms of a middle phase — a sort of semi-industrial period — in the apparently natural evolution toward modern industry in late-19th-century Nova Scotia. Because these studies view the coal industry from the vantage point of what it became, they have not done justice to what it was in the first half of the century. In particular, historians have described the GMA as a company whose monopoly of provincial mineral production and conservative "mercantilist" policies allowed it to operate successfully without either encouraging extensive industrialization or modernizing its own operations. In the language of economic historians, the Association was unable to generate "linkage formation" — ties with other economic sectors which might have encouraged further diversification and economic development.[7] Ian McKay, in the most nuanced of these works, stresses the ambiguous role played by the company, noting that although the GMA created a modern "industrial" coal field with its use of skilled labour, capital and technology, it also was an industrial "enclave" that hindered local development by maintaining

4 See J.S. Martell, "Early Coal Mining in Nova Scotia", *Dalhousie Review*, 25 (1945), pp. 156-72; D.A. Muise, "The General Mining Association and Nova Scotia's Coal", *Bulletin of Canadian Studies*, 6/7 (1983), pp. 71-87; Marilyn Gerriets, "The Impact of the General Mining Association on the Nova Scotia Coal Industry, 1826-1850", *Acadiensis*, XXI, 1 (Autumn 1991), pp. 54-84; "The Rise and Fall of a Free-Standing Company in Nova Scotia: The General Mining Association", *Business History*, 34, 3 (July 1992), pp. 16-48; Ian McKay, "The crisis of dependent development: class conflict in the Nova Scotia coalfields, 1872-1876", in G.S. Kealey, ed., *Class, Gender, and Region: Essays in Canadian Historical Sociology* (St. John's, 1988), pp. 9-48; and Stephen J. Hornsby, *Nineteenth-Century Cape Breton: A Historical Geography* (Kingston and Montreal, 1992), pp. 95-107.

5 Memo by W. Vernon Smith, Colonial Office, enclosed with GMA to Lord John Russell, secretary of state for colonies, 27 November 1840, Colonial Office Papers [CO] 217/176.

6 Richard Brown, *The Coal Fields and Coal Trade of the Island of Cape Breton* (London, 1871), p. 54.

7 Rosemary E. Ommer uses the GMA as an example of the problem in her "The 1830s: Adapting Their Institutions to Their Desires", in Phillip A. Buckner and John G. Reid, eds., *The Atlantic Region to Confederation: A History* (Fredericton/Toronto, 1994), pp. 292-3. This assessment is also followed by Graham D. Taylor and Peter A. Baskerville, *A Concise History of Business in Canada* (Toronto, 1994), pp. 124-6. For a broader treatment of linkages, see Rosemary E. Ommer, *From Outpost to Outport: A Structural Analysis of the Jersey-Gaspé Cod Fishery, 1767-1886* (Kingston and Montreal, 1991).

monopoly rights on all mineral production in the colony, thus retarding market formation for both labour and commodities.[8]

These assessments underplay the dramatic and immediate effects the Association had in the first half of the 19th century. The impact of the GMA needs to be contextualized. In particular, we need to look beyond solely economic linkages if we are to understand the place of the GMA in 19th-century Nova Scotia. To see the GMA as a conservative force is to highlight what it later became and to misconstrue the character of the company's early plans and activities. GMA operations, which fostered the growth of communities near Sydney and Pictou, were not so much "enclaves" (a metaphorical term which is meant to suggest fragmentation, insulation or separation) as "industrial colonies". "Planted" in classic colonial form — with their own class structure, social organization and systems of production, marketing and infrastructure — the coal towns of Pictou and Cape Breton stood out from the surrounding society. These coal towns were a variant form of imperial investment. In some ways they represented an aberrant form, but in other ways they were harmonious with, and indeed may have epitomized, a common pattern of colonial development. The early history of the GMA offers a fine example of the manner by which agents of commercial-industrial colonization forged essential links between British and colonial labour, capital and states.

In the spring of 1825, the commercial centre of the British Empire was in an uproar. A serious depression in trade was underway. William Huskisson, president of the Board of Trade, had just introduced changes in the Navigation Acts, Parliament was debating the proposals of the colonial under-secretary, R.J. Wilmot Horton, for state-assisted emigration and English investors were in the dying days of a maniacal rush to exploit investment opportunities in Latin American mines created by the recent wars of independence. British capitalists, many with money "burning holes in their owners' pockets", were investing in a host of foreign ventures. Much of their money, Eric Hobsbawm observes, was "rashly, stupidly, some of it insanely invested".[9] By summer, rumours were spreading that the British government was on the verge of bankruptcy. This second South Sea Bubble had burst, enthusiasm for foreign investment had crashed, and London finance capitalists were stepping back to reassess their monstrous calamity.[10] From the vantage point of British investors in the summer of 1825, the wisdom of any foreign investment was highly questionable.[11] In the colonies, while some called out for British investment, others expressed

8 McKay, "Dependent Development", pp. 14-7. This position is developed theoretically by Geoffrey Kay, *Development and Underdevelopment: A Marxist Analysis* (London, 1975), pp. 96-124.

9 E.J. Hobsbawm, *Industry and Empire: from 1750 to the Present Day* (Harmondsworth, 1969), pp. 109-14.

10 Frank Griffith Dawson, *The First Latin American Debt Crisis: The City of London and the 1822-25 Loan Bubble* (New Haven, 1990); Boyd Hilton, *Corn, Cash, Commerce: The Economic Policies of the Tory Governments, 1815-1830* (Oxford, 1977), pp. 202-31; and Leland Hamilton Jenks, *The Migration of British Capital to 1875* (New York, 1927), pp. 25-64. For fascinating, though not particularly important details, see M.G. Mulhall, *The English in South America* (London, 1877), pp. 445-54.

11 *Annual Register, or a view of the History, Politics, and Literature of the Year 1825* (London, 1826), pp. 2-4; and Henry English, *A Complete View of Joint Stock Companies formed during the years 1824 and 1825* (London, 1827), pp. 31-2.

ambivalence. In describing such investment, one writer, T.C. Haliburton, described another such London-based scheme as just another of the "mad bubbles" made possible by the "unbounded wealth of our parent country, of that monstrous capital which seek[s] rent in the most remote parts of the world".[12]

That summer, two apparently unrelated developments moved British capital toward investment in Nova Scotia's coal resources. The first of these concerned one of those British speculations in Latin America. In 1824, a group of London investors, headed by the wealthy jewellers to the Royal Family, Phillip Rundell and John Bridge, had formed the General South American Mining Association with a nominal stock value of £2,000,000.[13] Having obtained mineral leases in Brazil, the firm was negotiating for another in Colombia, and had sent out men and equipment to assess the possibilities for exploitation and development. The second development concerned Prince Frederick, the Duke of York, second son of George III, who was attempting to raise £70,000 to pay his creditors. Rundell and Bridge were among those to whom the Duke owed money and among the assets of interest to the jewellers was a draft of a lease to all the mineral rights in Nova Scotia — an intended gift from George III that the Duke appears to have forgotten.[14]

Little is known of the General South American Mining Association's Latin American venture except that it was eventually abandoned. In early 1825, one commentator on British overseas investments observed that the company was "in daily expectation of realizing" their object.[15] By 1827, however, the Colombian plans were off and the Brazilian ones on hold.[16] As had been the case with most of the failures in this bubble, the wars of independence in South America created chaos that offset the opportunities for investment. In this context — with Latin American mining companies failing everywhere around them — North American coal may not have been as alluring as South American gold or lapis lazuli, but it must have appeared safer.[17] Within a year, the General South American Mining Association was simply

12 Haliburton to Wiswall, 10 May 1825, in Richard A. Davies, ed., *The Letters of Thomas Chandler Haliburton* (Toronto, 1988), p. 31. On Haliburton, see Fred Cogswell, "Thomas Chandler Haliburton", *DCB, IX* (Toronto, 1976), pp. 348-57. On the connections between the GMA and the New Brunswick and Nova Scotia Land Company, see n. 41-3 below.

13 The senior Rundell, Philip, retired in 1822, and was probated at more than £1,200,000 (not including real estate) when he died in February 1827 (just more than a month after the Duke died). The Latin American stocks were languishing. They were issued at £5, and had traded as high as £16, but were selling for £1 in January 1827. While capitalized at £2,000,000, only £100,000 was actually paid up. See English, *A Complete View*, p. 3.

14 Copies of the Duke's petition to the Treasury are in Treasury Minutes, 29 March 1825, enclosed with Kempt to Huskisson, 13 May 1828, CO 217/148. On the Duke's income and his 20-year battle for more, see *Annual Register . . . for 1827*, pp. 8-14; on selling off his assets, see *Gentleman's Magazine* (London) 96, 1 (January 1826), p. 58. On the Rothschilds connection see Jenks, *Migration of British Capital*, pp. 42-4.

15 Henry English, *A General Guide to Companies Formed for Working Foreign Mines* (London, 1825), p. 87.

16 The General Mining Association Limited, "Deed of Settlement, dated 10th April, 1829, as altered by Resolutions of Extraordinary Meetings of the Proprietors, held 2nd and 19th August 1870", (Westminster, 1870), pp. 5-6.

17 In 1827, English noted their recent acquisition of mining rights in Nova Scotia, and it may be that much of the capital English reported as raised by that time was for North American investment, not South. English, *A Complete View*, p. 87, and Dawson, *First Latin American Debt Crisis*, pp. 119-38.

the General Mining Association, and the Latin American affair appears to have ended quietly.

The re-emergence of the Duke's lease was a happy coincidence for both parties: the jewellers took the opportunity to solidify their venture in foreign mining, and the impecunious Duke reduced his debts and acquired a 25-per-cent cut of the Association's Nova Scotian returns.[18] The company's investments now spanned a massive triangle from London to Brazil to Nova Scotia. It was a classic colonial investment: ancien regime wealth (or at least credit), money from the luxury trades and an empire desirous of financial returns from military conquest. And yet it was also something new. As the 19th-century political economist John Ramsay McCulloch observed, America had been "discovered" three centuries earlier "but this was the true discovery — the effectual access to its resources".[19]

As in all colonial enterprises, the state was a key player; this was especially so as the Association was interested in the extraction of minerals. Within the colonies, the state from the late 18th century assumed the role of caretaker of His Majesty's natural resources as owner of subsurface minerals and direct administrator of several areas of production. Whether leases were granted to private capital — effectively in subleases from the Crown — or whether the mines were run by the governing authority itself, the state oversaw both production and marketing.[20] Formally, the arrival of the Association altered that relationship. The state would continue to administer the mines, but in a less direct manner. Before the re-emergence of the Duke's lease, the colonial state administered every aspect of the King's resources, but in 1827 it effectively relinquished all of the direct responsibilities of mine administration to the Duke, who transferred them to the Association. From the change emerged a series of guidelines for regulating the proper spheres of the state and capital in resource development in the British North American colonies. The GMA transferred many modern industrial practices to the colonies. Its operations, however, did not reflect the emergence of a liberal industrial capitalist practice. Throughout the period of the firm's innovations, the state — both local and metropolitan — was a crucial ally. At the same time, segments of the provincial elite struggled to break the firm's monopoly. The GMA offered capitalist innovation, but it did so while relying on state support and resisting efforts to push its operations onto more firmly liberal ground.

The original lease to the Duke of York guaranteed exclusivity, but explicitly excluded all currently leased mines, as well as lands where mineral — and specifically coal — rights had not been reserved to the Crown in the original grant.[21] The

18 [GMA], "Deed of Settlement", p. 6; Copy of lease, dated 11 July 1826, in Document 9, vol. 460, RG 1, Public Archives of Nova Scotia [PANS]; and Dawson, *First Latin American Debt Crisis*, p. 100.

19 J.R. McCulloch, *A Dictionary, Practical, Theoretical, and Historical, of Commerce and Commercial Navigation*, 2nd ed. (London, 1834), pp. 801-4. McCulloch held the chair in political economy at the University of London. See "John Ramsay McCulloch", *Dictionary of National Biography* [DNB] (London, 1885), vol. XXXV, pp. 19-21, and Donald Winch, *Classical Political Economy and Colonies* (Cambridge, Mass., 1965), pp. 41-6, 68-70.

20 See the author's discussion of "state-merchant enterprise" in "Industry and Improvement: State and Class Formations in Nova Scotia's Country of Coal, 1790-1864", Ph.D. thesis, Queen's University, 1997, pp. 233-321.

21 The original lease from 1788 does not appear to have been extant at the time. Instead, officials seem to have using a copy dated 1792. See "Case respecting the lease of Mines in Nova Scotia to His late

Association, therefore, bought out existing coal operators, and assumed control of their operations in Sydney and Pictou.[22] The mere presence of the large new firm with its tons of equipment, steam engines and hundreds of skilled miners — not to mention the prospect of quick and easy money — was apparently enough to make the local firms submit. The Association had obtained the best sites (at least for immediate production) and a complete monopoly. Subsequently, the GMA managed to get all the leases (their own sublease, plus one each from Sydney and East River, near Pictou) completely rewritten as one lease with two sets of conditions: those under the terms of the Duke's original lease and those assumed after their arrival in Nova Scotia. The existing mine sites now fell outside the terms of the Duke's lease, and thus also outside the Association's arrangement with his estate.[23] This tactic gave the company the exclusivity of the Duke's lease (including Cape Breton) and the best mine sites at a better rent to the Crown than under the Duke's lease, and free from the Duke's 25-per cent cut. The Association's ploy outraged the administrators of the Duke's estate — costing the company almost 30 years in Chancery Court — but the Company had made a sound business calculation.[24] In June 1827 when Richard Smith and the miners

Royal Highness the Duke of York and Albany", Treasury Minutes [copy] 29 March 1825, enclosed in Kempt to Huskisson, 13 May 1828, CO 217/148.

22 Cape Breton's place in the lease was not clear. In 1788, the island was a separate colony, and therefore apparently not part of the lease. But after reports of potentially lucrative seams of coal at Pictou and Sydney, the Duke's solicitors immediately attempted to make the case that Cape Breton was part of the lease. The Treasury was unequivocal in insisting that Cape Breton was not part of Nova Scotia at the time of the grant, and therefore "certainly not intended to be included". Nevertheless, a new arrangement was negotiated to suit the purpose. See Parkinson [solicitor to the Duke of York] to the Duke of York (copy), 3 April 1826, and Parkinson to Lewis (Treasury), 6 November 1827, both enclosed with Kempt to Huskisson, 13 May 1828, CO 217/148; and Stanley (Treasury, for Huskisson) to Hill (Colonial Office), 14 December 1827, enclosed with Kempt to Huskisson, 13 May 1828, CO 217/148.

23 The annual rent of £3300 on the first 20,000 chaldrons per year (and 2s per chaldron beyond 20,000) was (in effect if not in law) for the already existing mines they assumed. The remaining "reserved" mines were subject to an immediate royalty of 2s per chaldron on every chaldron produced. This explains the province's complaints about non-payment of £1245-5-0 in 1835 on coals the Association tried to sneak under the rental arrangement rather than the original lease. See Hay (Colonial Office) to the General Mining Association, 24 January 1835 and "Memo on Coal Returns", re: monies not collected on coals mined "beyond the limits of such reserved mines", no. 10-11, vol. 460, RG 1, PANS.

24 I was not able to locate any of these records, but letters reprinted in Nova Scotia, *Journals of the House of Assembly* [*JHA*] in the 1850s between the attorney general, and solicitors for the estate of the Duke and the GMA suggest this was the basis for the action. See Merivale to LeMarchant, Lt. Governor, 7 February 1855 reprinted in Nova Scotia, *JHA*, 1856, Appendix 12; and Farrer, Ouvry, & Farrer, solicitors for the Estate of the Duke of York, to Merivale, 4 December 1856 reprinted in Nova Scotia, *JHA*, 1857, Appendix 54. To see how truly incestuous this entire affair was, note that Thomas Farrer, here acting on behalf of the creditors of the estate of the Duke in a suit against the GMA, was (and may here still be) a director of the GMA. Then note that Rundell was also one of the creditors. Then note that *the Crown* was one of the creditors (the Duke died owing the Crown almost £122,713). The chancery trial, then, pitted the creditors against the GMA and the Crown, but the Crown and some Board members of the GMA were also creditors. In effect, people were suing themselves. Thomas Ferrar held the most problematic position: he was acting as solicitor for a group he was in fact a part of, in a suit against another group he was also a part of. The final settlement had the GMA pay the creditors £120,000, £30,000 of which went to the Crown. See the letters between Farrer, Ouvry, & Farrer and Merivale from 4 December 1856 and 12 January 1857 also reprinted in Nova Scotia, *JHA*, 1857, Appendix 54.

arrived from England, the Association had a lease on a site *beside* a coal mine in Pictou County; by the autumn of 1828, they controlled all the coal fields of Nova Scotia.

At Pictou, the Association began sinking a new shaft within days of Smith's arrival. In Cape Breton, Smith's assistant, Richard Brown, began assessing the requirements for Sydney Mines.[25] Would-be competitors in Cape Breton were impressed not only by the GMA's mining knowledge and capital but also by the terms of their lease. George Smith and William Liddell, who had held the coal leases at Pictou, bowed out almost immediately (notwithstanding the Treasury Office's reluctance to allow them out of the remaining 12 years of their leases). In a petition praying for release, George Smith noted that their small mines were no match for the "superior skills and Capital of His Royal Highness' Sub-lessees". These factors, together with the "very favorable terms on which [the Association will] work the Mines will make it impossible to compete with such powerful rivals".[26]

And very favourable terms they were. Samuel Cunard, one of Nova Scotia's most prominent businessmen, attempted to obtain a lease of the Sydney mines in 1826, and he had offered £3000 per year for the first three years and £6000 per year for the remaining 27 years of a 30-year lease.[27] Smith and Liddell had had to pay their rent plus 3s 6d per chaldron. The GMA's lease (here on reserved mines) entitled them to mine coal on the adjoining property at no rent and pay only 1s per chaldron for the first five years of the lease. As Nova Scotia's lieutenant-governor Sir James Kempt argued on their behalf, "under these circumstances . . . [it was] quite impossible for Messrs Smith and Liddell to continue to work the mines without ruin to themselves".[28] Moreover, they were giving up the mines, as George Smith noted, "in accordance with the wishes of His Majesty's Government", a reference not only to the proclamation of a year earlier, but also to Kempt's on-going support for the Association's activities; "otherwise", he continued, "they would have resisted any interference until relieved of the liabilities which they were under and a remuneration made for the outlay of capital".[29] Undoubtedly, Smith was being rather disingenuous here. It seems unlikely they would have, or could have, resisted for long. But he certainly highlighted the new conditions under which the mines of the province would be conducted: large capital operating under state sanction.

Scale was important. In an era when dozens of British-financed South American mining companies were drowning in their own watered stock, the GMA was a relatively solid venture. At the end of 1827, the Association had more than £100,000

25 Brown was Richard Smith's assistant and replaced him in 1834. He remained in Sydney as the mine manager until 1864 and is the author of *The Coal Fields and Coal Trade of Cape Breton*.

26 See Smith to Kempt, [n.d.], enclosed in Kempt to Huskisson; 14 December 1827, CO 217/147.

27 Cunard to Kempt, 9 January 1826, enclosed in Kempt to Horton, under secretary of state for the colonies, 13 February 1826, CO 217/146.

28 Kempt to Huskisson, 13 May 1828, CO 217/148. The Association also managed to sneak the much larger Newcastle chaldron into the lease, rather than the much more commonly employed Winchester chaldron. This allowed the company to reduce significantly its payments to the Crown. See Gerriets, "The General Mining Association", pp. 62-5.

29 Smith and Liddell requested an end to their lease and £1000 compensation for the loss of the mines; Petition of Smith and Liddell, 9 May 1828, CO 217/148. They obtained the first but not the latter. Stewart, Treasury, to Hay, 22 July 1828, CO 217/148.

in hand, a lease and about 200 miners along with engineers and equipment on site in Nova Scotia. Three years later it had an iron foundry in operation, a brick plant, wharves that had been completely rebuilt on a larger scale and two working steam engines. By 1839, the GMA had invested almost £300,000 in its operations, a railroad was under construction, and it was employing more than 1000 workers.[30] Who were these men who invested so heavily in what must clearly have been a risky venture and at a time when the best tip available for investment in overseas mines was "don't"?

The shareholders in the original General South American Mining Association were not drawn from the monied elite of England, the "moneyocracy" as Marx referred to them, although Philip Rundell certainly owed his own wealth to that group. Several of the shareholders, however, were quite wealthy, middle-class men who aspired to be men of leisure, and they perhaps fit something of the mould of what imperial historians P.J. Cain and A.G. Hopkins refer to as "gentlemanly capitalism".[31] With the exception of Philip Rundell, none of the men was particularly wealthy or well known. While only one made his way into the *Dictionary of National Biography*, occasionally one of them, having attended a charity ball or a concert, would show up in *Blackwood's* or the *London Magazine*.[32] John Wright was a partner in a small bank in London. Philip Rundell's son, Edmund Waller Rundell, was involved in banking as well and brought his partner John Bigge into the Association; they also had investments in coal mines in Durham.[33] Two of the directors, Edward Blount and the president, Edward John Littleton, were Members of Parliament. Littleton — later Baron Hatherton — was a "country gentleman", the owner of a substantial estate, and the member of Parliament for Staffordshire, where the GMA recruited mine-managers.[34] Another of the original directors was a Nova Scotian: Andrew Belcher, son of the province's first chief justice, and a resident of London.[35]

With the exception of the Philip Rundell's wealth, and Littleton's more modest assets and limited political clout,[36] the resources of the directors and shareholders of

30 Nova Scotia, *JHA*, 1839, Appendix 50, lists 915 employees at Pictou alone (including those working on the "South Pictou Rail Road"). The works at Pictou are described at some length in Joseph Howe, *Western and Eastern Rambles: Travel Sketches of Nova Scotia*, M.G. Parks, ed., (Toronto, 1973), pp. 159-69. On brick exports, in the *Colonial Patriot* the weekly shipping returns for Pictou note regularly ships carrying bricks to Prince Edward Island, Cape Breton and the New Brunswick (Miramichi).

31 P.J Cain and A.G Hopkins, *British Imperialism: Innovation and Expansion, 1688-1914* (London, 1993).

32 Based on the shareholders listed in English, *A General Guide to Companies*, 35-6. Both Rundell and Bridge, however, made it into the "Missing Persons" volume recently published by Oxford. See C.S. Nichols, *DNB, Missing Persons* (Oxford, 1994), pp. 87-8, 574-5.

33 Wright to Young, London, 25 June 1850, f1/757, vol. 723, MG 2, PANS; and James A. Jaffe, *The Struggle for Market Power: Industrial Relations in the British Coal Industry, 1800-1840* (Cambridge, 1991), p. 85. The Durham connection probably explains the firm's later employment of John Buddle.

34 Littleton was a Tory, though a "moderate reformer", until moving to Huskisson's support, and sitting with the Whigs in the "Reform Ministry". See "Edward John Littleton", *DNB* (London, 1888), XXXIII, pp. 369-71; A. Aspinal, ed., *Three Early Nineteenth Century Diaries* (London, 1952), pp. ix-xi; and Fereday, "The Career of Richard Smith", chap. 1 and 2.

35 Belcher returned to Halifax in 1829 to "assume personal direction of his surviving business interests" and the position as Halifax agent for the GMA in Halifax. David A. Sutherland, "Andrew Belcher", *DCB*, *VII*, (Toronto, 1988), pp. 62-4.

36 Aspinall's account would suggest that Littleton had very little influence prior to aligning himself with Huskisson around 1827, and never acquired much in the following years. He was always on the

the GMA were quite unexceptional. Not fabulously wealthy but with money and some political influence, these men might have a few hundred, and some a few thousand, pounds to invest in a foreign mining venture. Some earned their money; others had inherited it, obtained it through marriage or, in the case of Littleton, both.[37] And, with the exception of Belcher and the two founding partners — Rundell and Bridge — they were also quite young. Some maintained their positions within the GMA for decades.[38] In politics, most appear to have been conservative, or at least certainly not liberals. Blount, Littleton, and both Rundells were certainly Tories, and Robert Stewart, one of the more influential shareholders, spoke proudly of his "conservative principles".[39]

The letterbooks and journals of Robert Stewart and his brother David reveal some of the intricate networks that linked the GMA and its associates to other colonial ventures and to British policy makers.[40] The Stewarts were Scottish investors with substantial land holdings in Prince Edward Island, New Brunswick and Nova Scotia. They were active promoters of British North American commercial ventures including the Bank of British North America and joint-stock companies and associations such as the North American Colonial Association of Ireland, the London-based Prince Edward Island Association, and the New Brunswick and Nova Scotia Land Company.[41] Through these associations the Stewarts were in contact with John

fringes of the cabinet, but was never actually offered a position. He was finally offered a new peerage — Baron Hatherton — in 1835. Aspinall, *Three Early Nineteenth Century Diaries*. See Sir Bernard Burke and Ashworth Burke, eds., *Genealogical and Heraldic History of the Peerage and Baronetage, the Privy Council, Knightage and Companionage*, 72nd ed. (London, 1913), pp. 963-5.

37 Littleton inherited his uncle's estate, but also married well. See Aspinall, *Three Early Nineteenth Century Diaries*, p. ix.

38 By 1842, the principals had not changed. At least two were sons of the other principals. J.B. Foord would still be Secretary in the 1870s, discussing affairs with Richard Brown Sr. in London and corresponding with Richard Brown Jr. at Sydney Mines; while the solicitor, Thomas Farrer, would negotiate the lease of 1827 and the renegotiated lease of 1858. Petition of the [GMA], 22 December 1842; no. 104, vol. 459, RG 1, PANS; "Memorial of the Chairman and Directors of the General Mining Association", 30 April 1831; no. 36, vol. 459, RG 1, PANS; and the directors for 1829 are listed in [GMA], "Deed of Settlement", p. 1. Richard Brown Correspondence, vol. 151-9, MG 1, PANS. The Act of 1858 specifically notes Farrer as the negotiator for Mary Ann Rundell and Edmond Strong, executrix and executor respectively. Nova Scotia, *Statutes for the year 1858*, p. 78.

39 Stewart to Young, 3 December 1836, Stewart Letterbooks, 2316/2, Public Archives and Record Office of Prince Edward Island [PARO].

40 Neither Robert nor David Stewart appear in any GMA material as directors or board members, but they shaped Association policy. See, entries from 5 July 1831 onward for David Stewart's activities in Pictou and Sydney with Richard Smith, David Stewart's Journal, 3209/28, PARO. See also Stewart to Farrer [GMA], 17 September 1831; Stewart to Duval [GMA], 17 September 1831: Stewart to Bainbridge [Provincial Agent for Nova Scotia], 21 January 1832; Stewart to Bainbridge, 12 March 1832, in Stewart Letterbooks, 2316/1, PARO. My thanks to Rusty Bittermann for alerting me to the Stewart papers.

41 See E.N. Kendall, Commissioner, *Reports Nos. 1 and 2 on the State and Condition of the Province of New Brunswick with some observations on the Company's Tract* (London, 1835); and [North American Colonial Association of Ireland], *Report of an Extraordinary Meeting of the Shareholders of the North American Colonial Association of Ireland held at the Company's Office, Broad Street* (London, 1844). Their Lower Canadian project grew out of the earlier programme for Canada and Nova Scotia, originally outlined by the Stewarts as early as 1832. See Stewart to Bainbridge [N.B. & N.S. Land Co.], 18 April 1832; Stewart to Lawson [N.B. & N.S. Land Co.], 20 April 1832; 2316/1,

Bainbridge[42] (partner in the London-based timber merchants, Bainbridge and Brown), G.V. Duval (a director of the GMA), Thomas Farrer (also a director of the GMA), Robert William Hay (the undersecretary for the colonies), Lord Selkirk (a fellow estate holder on Prince Edward Island), and a number of MPs, bankers and investors whom they felt they could call on for support when necessary, including Edward Gibbon Wakefield, Lord Durham and Edward Ellice.[43]

Colonial associations and colonial investment opportunities brought key players in the GMA in touch with the elites within the colonies. John Bainbridge, who was provincial agent for Nova Scotia, while not necessarily the driving force, was central in building these connections. Bainbridge did business with Samuel Cunard and his brother Joseph from the early 1820s, and he helped make Samuel the Lower Colonies' agent for the East India Company.[44] Bainbridge and Charles Fairbanks, a Halifax lawyer and member of the provincial legislative assembly, represented the Shubenacadie Canal Company, which sought to link Halifax with the head of the Bay of Fundy, in its efforts to secure loans from Parliament and from investors in London in 1828.[45] In the fall of that year, Bainbridge and Fairbanks sold 1,200 "Preference Shares" in the Shubenacadie Canal Company at £22-10 per share. Of the £27,000 shares sold, £9877-10 worth were purchased by eight GMA board members. They were joined by such distinguished Nova Scotians as Samuel Cunard, Andrew Belcher and Mather Blowers Almon.[46] The financial interest seems to have been reciprocal, as by 1831 Bainbridge appears to have become a shareholder in the GMA. That winter

PARO; Stewart to D. Henchy, 18 June 1835; Stewart to George Renny Young, 1 February 1836; and Stewart to Young, 3 December 1836, Stewart Letterbooks, 2316/2, PARO. The Stewarts figure prominently in Rusty Bittermann, "Escheat!: Rural Protest on Prince Edward Island, 1832-42", Ph.D. thesis, University of New Brunswick, 1991. See also Ivan J. Saunders, "The New Brunswick and Nova Scotia Land Company and the Settlement of Stanley, New Brunswick", M.A. thesis, University of New Brunswick, 1969.

42 David Stewart to Bainbridge [N.B. & N.S. Land Co.], 18 April 1832; 2316/1, PARO; and Great Britain. House of Commons, *First Report of the Select Committee on the Means of Improving and Maintaining the Foreign Trade of the Country* (London, 1821), pp. 44-50. See also Wynn, *Timber Colony: A Historical Geography of Early Nineteenth-Century New Brunswick* (Toronto, 1981), p. 121; and Phyllis R. Blakeley, "Samuel Cunard", *DCB*, *IX* (Toronto, 1976), p. 176.

43 GMA directors the Hon. Edward Blount and Ambrose Humphreys were also directors, with John Bainbridge, of the New Brunswick and Nova Scotia Land Company. See Kendall, *Reports Nos. 1 and 2*; while another GMA director, Felix Ladbroke, joined the Stewarts, Edward Gibbon Wakefield, the Rt. Hon. Edward Littleton and the Earl of Durham as directors of the North American Colonial Association of Ireland. See the list of investors in [North American Colonial Association], *Colonization of the County of Beauharnois* (London, 1840). See also David Stewart's letters to Alexander Baring, 20 April 1832, Lord Viscount Goderich, 22 March 1832; and Robert Stewart's letters to R.W. Hay, 24 September 1833; Sir George Seymour; John Angerstein, MP; Lord James Townshend, MP; and John Walter, MP, all 9 July 1835 [lobbying to get the North American Colonial Association bill through]; and Stewart to "Miss Fanning", 7 August 1835; Robert Stewart's Letterbook, 2316/2, PARO.

44 Blakeley, "Cunard".

45 "Communications on the subject of the Shubenacadie Canal, Nova Scotia", 6 May 1830, CO 217/149.

46 "List of Subscribers, Shubenacadie Canal, Nova Scotia", 27 March 1829, CO 217/149. See also the list of subscribers for the Quebec and Halifax Steamship Co., (1831) which included Rundell, Bridge, Belcher, Cunard, and George and William Young. See Sandford Fleming, "Notes on Ocean Steam Navigation", *Transactions of the Canadian Institute,* III (1891-92), pp. 167-8

he and David Stewart were discussing plans for revising "his [Bainbridge's] estimate" for the GMA's finances over the next few years, a conversation they mixed with their plans for the New Brunswick and Nova Scotia Land Company (Stewart was a director and Bainbridge the "Managing director") and for land deals in Prince Edward Island.[47]

The Stewarts do not seem to have purchased shares or become in any way involved with the Shubenacadie Canal Company, but it was one of the few colonial ventures in which they did not. In 1831, David Stewart visited the GMA's mines at Pictou and Sydney. While in Nova Scotia, he studied the company's operations and helped Richard Smith with a secret land transaction in the Pictou area. He also met with prominent local politicians, investigated a proposed canal which would allow the company to move coal to Halifax through the Bras d'Or Lake and assessed the countryside surrounding the coalfields for possible settlement lands. When Stewart surveyed the proposed route for the canal near St. Peter's, he also considered the value of the "waste lands" surrounding it. Correspondence between Bainbridge and Fairbanks concerning the Shubenacadie Canal raised the similar, as-yet-unresolved, issue of the "uncultivated lands near the line of this communication".[48] Stewart often spoke of how his "connections in Nova Scotia" gave him access to more than 80,000 acres in that province as well as to more than 100,000 acres in Prince Edward Island. And the New Brunswick and Nova Scotia Land Company, with which the Stewarts were closely associated, purchased almost half a million acres of land in New Brunswick in 1835.[49] Having access to such large amounts of land, and to capital, made the brothers powerful players in the colonies, and in the various colonial associations to which they belonged.

Stewart's connections in Nova Scotia were many. While better situated politically on Prince Edward Island where he held his estates, he evidently knew Bainbridge, Samuel Cunard and probably Andrew Belcher before he visited Pictou in 1831. While in Pictou he wasted little time before meeting almost anybody who mattered in local

47 [New Brunswick and Nova Scotia Land Company], *Report of the Directors of the New Brunswick and Nova Scotia Land Company, Submitted to the Stockholders at a General Meeting Held at the London Tavern, on Monday, 2d July, 1832* (n.p., 1832) and *Practical Information Respecting New Brunswick including details Relative to its soil, Climate, Productions, and Agriculture* (London, 1834); Kendall, *Reports Nos. 1 and 2*; Another GMA director, Felix Ladbroke, joined the Stewarts, Edward Gibbon Wakefield, the Rt. Hon. Edward Littleton and the Earl of Durham as directors of the North American Colonial Association of Ireland. See the list of investors in [North American Colonial Association], *Colonization of the County of Beauharnois* (London, 1840). See also David Stewart to Baring, 20 April 1832, Goderich, 22 March 1832; and Robert Stewart to Hay, 24 September 1833, Stewart Letterbooks, 2316/1-2, PARO.

48 On the Stewarts see, in particular, entries for 7 July 1831 (in the works with Smith), 8 July 1831 (meets local politicians), 10 July 1831 (surveys the farmlands around the mines), 11 July 1831 (arranges land sale), and 14 July (walks the proposed route of the canal at St. Peter's); in David Stewart's Journal, 3209/28, PARO. See too Fairbanks and Bainbridge to Hay, 27 March 1830 (copy) in "Communications on the subject of the Shubenacadie Canal, Nova Scotia", 6 May 1830, CO 217/149.

49 Stewart to "D Henchy Esqr", 12 March 1835; Stewart to Hill, 19 March 1835; and Stewart to Colville, 15 August 1835, Stewart Letterbooks, 2316/2, PARO. In the letter to Hill, in which Stewart was trying to buy land from him, Stewart used the good price the land company had obtained from the New Brunswick government (2s3d per acre) as leverage, noting that such large purchases nearby were keeping downward pressure on land prices.

politics.[50] Such political connections were a vital aspect of doing business. A coincidental meeting with the Nova Scotia lawyer and reform politician, George R. Young, was particularly fruitful, not commercially but in terms of other contacts in the government and the Halifax business community. Young was returning from Prince Edward Island where he had been acting on behalf of a landlord to prosecute tenants for non-payment of their rents. Stewart was trying to "settle" with his. The two would continue to correspond for years on matters of personal interest (colonial affairs and education) and business (the Bank of British North America and the GMA).[51] In 1835, George Young, Samuel Cunard and David Stewart's brother, Robert, would all become involved with the new Bank of British North America. It was a mark of colonial politics and business that Samuel Cunard, who was the Agent for the GMA and a strong Tory, could do business with George Young, who was among the leading reformers in the Nova Scotia, as was his brother William**.** The latter was involved in a bitterly-contested electoral struggle in Cape Breton in 1832 against a GMA candidate. It was another mark of colonial politics and business that the partnership lasted less than a year and "left ill feelings with the Youngs".[52]

The Bank of Nova Scotia, which was the GMA's bank from 1832, strengthened the links between the mining venture and Nova Scotia's leading merchants and businessmen. Not only did it solidify the company's business dealings in the colony, but it also provided the GMA with a solid base with members of the province's Tory elite. These men included Andrew Belcher, one of the original directors of the bank as well as Halifax agent for the GMA, James William Johnston (future premier), William Lawson, James Boyle Uniacke, brothers William and Henry Bliss and Mather Blowers Almon — some of the wealthiest merchants in the capital.[53]

What is most interesting about the colonial men with business connections with the GMA is not their wealth, though that certainly mattered, but the breadth of their investment strategies and the manner in which they developed links between British and colonial labour, capital and states, links which would be necessary for both the creation of wealth and the realization of their envisioned projects. The scope of their

50 He at least met Richard Smith, Joseph Smith, William Davis, Peter Crerar, Hugh Denoon, George Smith, Thomas Dickson, the two MLAs, George Renny Young, and a number of the magistrates and other prominent people of the district. See David Stewart's Journal, 3209/28, PARO.

51 Robert Stewart to George Young, 3 December 1836, Stewart Letterbooks, 2316/2, PARO; J. Murray Beck, "George Renny Young", *DCB, VIII* (Toronto, 1985), p. 956.

52 Blakeley, "Cunard". Richard Smith defeated William Young in Cape Breton in 1832. The election was marked by several riots and excessive spending. See Brian Cuthbertson, *Johnny Bluenose at the Polls: Epic Nova Scotian Election Battles, 1758-1848* (Halifax, 1994), pp. 276-9.

53 Joseph Schull and J. Douglas Gibson, *The Scotiabank Story* (Toronto, 1982), pp. 6-49. Uniacke, of course, eventually headed the first post-reform government in the province, but in the 1830s he, like Joseph Howe, was still a Tory. Cunard remained aloof from all of this until 1834. Determined, however, to get in on the coal trade somehow, he found his opportunity in early 1834 when Belcher's debts caught up with him again. Belcher owed more than £12,000, much of it to Cunard who foreclosed that winter. Coincidentally, it was at the same time Richard Smith was recalled to England, and thus Cunard obtained not only the Halifax agency but the position as General Manager of the Association's British North American operations. Sutherland, "Belcher", p. 64. Fortunately for Cunard, Belcher was dead by the time his debts almost caught up with him. In 1842, the Banks of Nova Scotia and British North America cooperated in loaning Cunard £45,000 in order that he might gain some security against his £130,000 debts. Schull and Gibson, *The Scotiabank Story*, pp. 43-4.

business enterprises belies any clear division between landward and seaward investment strategies. Samuel Cunard made his early money in timber and East India trades, but that did not prevent him from investing in the Annapolis Iron Company, the Shubenacadie Canal Company, the General Mining Association and Nova Scotia's first three banks; nor did it prevent him from moving quickly into steamships and attempting to acquire the coal mines at Sydney. He might never have supported a bill to protect local industry or agriculture while he was a member of the Legislative Council, but that may say as much about his particular interests as his being an example of conservative merchant capital. While Cunard was rejecting protection for agriculture, the Stewarts were promoting the sale of Prince Edward Island wheat and barley in the London market; while Cunard and George Young were buying estates in Prince Edward Island, George's brother William Young was plotting the demise of the GMA.[54] Ten years later, Cunard, Almon, Uniacke, W.A. Black (all of them directors of the Bank of Nova Scotia) and William Young formed the first managing committee of the St. Lawrence and Atlantic Railroad (later the Halifax and Quebec Railroad).[55] That they could have particular (or personal) differences did not mean that they could not share particular interests. Most importantly, they all shared the desire to gain greater access to the wealth of the colony, and were prepared to invest in the infrastructure necessary to achieve it.

These business enterprises were bound by more than common parties at their helms. Indeed, it is in expanding our sense of "enterprise" beyond its narrow business meaning that we can glimpse these investors' grander vision. As Britons investing in overseas British colonies, these men shared a vision of profitable enterprise as the font of the colonial mission. Colonization, in this framework, was not the anarchic "peopling" of territory, but an orderly, programmatic enterprise. The combination of business acumen and their sense of colonial mission meant that they understood well that colonization was a land-centred practice: one had to own, and control, land in order to people it; and one had to people it in order to make it pay. They sold their projects — politically — as techniques to achieve the twin objects of post-Malthusian colonial policy: depopulate the over-populated areas of the United Kingdom and populate the settler colonies.[56] Discussion of how colonial policy might achieve these

54 Stewart to Bainbridge, 6 August 1835, Stewart Letterbooks, 2316/2, PARO; on William Young, see the extensive series of notes on the law of mines and minerals, the terms of the lease, and his speeches on the "evils" of the monopoly. See nos. 155-70, vol. 732, MG 1, PANS.

55 [William Gossip], *Report of the Provisional Committee of the Atlantic & St. Lawrence Railroad* (Halifax, 1845). Cunard was not the only connection here. Five years later, John Wright, an original investor and board member of the GMA, was pitching for the Halifax and Quebec Railway, and its related land company, the Canadian Land & Railway Association. See Wright to Young, 25 January 1850; George Young Papers, f1/757, vol. 723, MG 2, PANS. See also "[Proposed] Bill to incorporate the Canadian Land & Railway Association", George Young Papers, f1/771, vol. 723, MG 2, PANS. The full scheme is laid out in Canada Land and Railway Association, *Report & outline of a plan by which an extensive railway may be constructed in the British North American colonies, combining its execution with an enlarged scheme of colonization and reclamation of waste lands, and executing the works so that the company and emigrants shall be mutually benefitted* (London, 1850).

56 H.J.M. Johnston, *British Emigration Policy, 1815-1830: "Shovelling Out Paupers"* (Oxford, 1972); Winch, *Classical Political Economy and Colonies*; and W.S. Shepperson, *British Emigration to North America: Projects and Opinions in the Early Victorian Period* (Minneapolis, 1957). Winch, in particular, gives a good sense of the continuities and discontinuities across the first half of the century.

goals occasioned political and intellectual battles throughout the second quarter of the 19th century. Few of the colonization projects of the time had good reputations, and the on-going reports of poor Britons being treated like cargo in both the laissez-faire and "assisted" programmes meant that those with new schemes had to legitimize their plans by demonstrating that they were at least humane, if not humane *and* cost-effective.[57]

The complex role the GMA played in Nova Scotia becomes clearer if we situate it in the context of this colonial policy debate and understand it as part of a colonization programme. The GMA was involved in a project that went beyond "economic development". It played an important role in establishing governable societies and aiding in the reconciliation of progress and order, a role that colonial administrators and GMA investors both understood.[58] For administrators, the case was clear. Wilmot Horton's plans for "assisted emigration", for example, the dominant model of the 1820s, turned on the concerns of Thomas Malthus more than Adam Smith, emphasizing the vital link between the welfare of a population — in particular, the well-being of the "lower orders" — and the proper management of a society. Wakefield's "systematic colonization", on the other hand, was explicitly designed to encourage the creation of an economically viable society, specifically one with classes and the capacity for capital accumulation.[59] Yet, it is important to observe that Wakefield envisioned creating more than an economy; his was a project for re-creating civilization — or more precisely British society — abroad. These were not merely colonies, but "extensions of an old society".[60] Wakefield, as is well known, saw peril in the unrestricted access to land which he believed characterized North American settlement. This peril is typically portrayed as economic: that unrestricted access to cheap or free land prevented the creation of a class of waged labourers (a class of people who could not afford land) which in turn weakened the capacity of a rural land-owning class to accumulate capital. His concern, though, was not merely markets, but markets as they related to the conditions necessary for good government and social cohesion. Wakefield, like so many men of the 19th century who were interested in colonial projects, believed they might provide what England could not guarantee. His programme was addressed to young men such as himself: ambitious and educated, but only moderately capitalized. It was a programme dealing with the acquisition of wealth, but it was as much concerned with glory as it was with gain. It was to play a part in, and be a significant contributor to, the grandeur of Empire. Wakefield, and the men who invested in the GMA, were like-minded men.

Colonization programmes brought with them a vision of government, an imagined ordering of the chaos that was Crown lands policy in Nova Scotia at that time, and which had been a miserable failure. The province, especially Cape Breton, was

57 See, for example, Stewart to Henchy, 18 June 1835, Stewart Letterbooks, 2316/2, PARO.

58 M.P. Cowen and R.W. Shenton, *Doctrines of Development* (London, 1996), esp. pp. 21-41.

59 Winch, *Classical Political Economy and Colonies*, pp. 51-72, 144-8.

60 Edward Gibbon Wakefield, "A Letter from Sydney", in M. F. Lloyd Prichard, ed., *The Collected Works of Edward Gibbon Wakefield* (Glasgow, 1968), esp. pp. 163-6; Winch, *Classical Political Economy and Colonies*, pp. 144-8; and Catherine Hall, "Imperial man: Edward Eyre in Australasia and the West Indies, 1833-66", in Bill Schwarz, ed., *The Expansion of England: Race, Ethnicity, and Cultural History* (London, 1996), pp. 134-6.

plagued by poor immigrants and thousands of illegal squatters.[61] Systematized emigration practices promised to instill order into a chaotic muddle. The promoters of systematic colonization spoke not in terms of economic development, but emphasized as well the peopling of the province's waste lands in an orderly, programmatic fashion. Thus, for example, when the directors of the Shubenacadie Canal Company described their company's intended impact, they highlighted how they would provide access to "the value and fertility of the districts around the Bay of Funday [sic], and bordering on the Shubenacadie, and the abundance of their agricultural produce, timber, coals, building materials, lime, gypsum, slate, and other minerals".[62] The canal would then draw this frontier within the ambit of capital by bringing these "great internal resources" into operation and thus "contribut[ing] to the consumption and exports of Halifax". In addition, not only would the company provide access to this frontier but also, if it obtained "a grant of the uncultivated lands near [the canal]", it would put people in contact with those resources by settling hitherto unsettled lands. The canal company, like the land companies and the GMA, had several appeals for different audiences; the directors also noted, for example, that the canal would greatly improve the movement of troops should the United States invade by way of the Bay of Fundy. But the ability of the venture to open up new areas for settlement was always a vital component of their plans. Interestingly, the GMA took almost exactly the same approach to enticing investment, emphasizing their mine operations and their not-so-obvious colonization plans. As systematic colonization became an increasingly popular venture in the 1830s and 1840s, it was ever more important to demonstrate that prospective settlements were well-planned and provisioned.

The Association's lease was the foundation for its entire colonial approach. It was a powerful tool for the Association, but there was still room for interpretation and negotiation. Alone, the wording of the lease cannot explain why the British government acquiesced so readily to the Association. In part the answer is obvious: although it was never merely a lap dog, the British state often wagged its tail before capital. Certainly, whether it was seeking concessions or protesting state action, the Association was always quick to point out the extent of its investment in Nova Scotia. As well, the answer lies in part in the royal prerogative, though that was much more easily dealt with (both legally and politically) than the term might suggest. That George III gave the lease as a gift meant only that the Cabinet had approved it. The Association's influence, rather, lay within the broader contours of colonialism, and more specifically the British state's willingness to alter the rules precisely because the GMA was operating in a colonial possession. The GMA was part of one of the British Empire's greatest overseas investment rushes. Indeed, in its framing and in its final structure, it shared many of the hallmarks of any overseas trading monopoly, such as the Hudson's Bay Company or the East India Company, both of which, while under assault, had had their charters renewed in the five years before the GMA was founded.[63] At the same time, with its exclusivity based in production and not trade, the

61 Hornsby, *Nineteenth-Century Cape Breton*, pp. 51-9; Samson, "Industry and Improvement", pp. 465-81.

62 "Address of the Shubenacadie Canal Co.", 20 May 1829, CO 217/149.

63 George Cawsron and A.H. Keane, *The Early Chartered Companies, A.D. 1296-1858*, (London, 1896), pp. 152-3, 190-1.

GMA also had many of the hallmarks of a proprietary land company.

When the British Treasury approved the terms of the Duke's lease in 1825, officials reasoned that the grant was in a "Foreign Colony . . . hitherto wholly unexplored", that the cost of coal production would be very high "in a Country where roads and other means of ready communication are in a considerable degree unformed" and that "the greater proportion of the Miners and other individuals to be employed must be sent from this Country and provided with habitations and the means of subsistence".[64] These conditions were unusual, and the company was therefore entitled to unusual terms. In a decision which Treasury officials observed "may be considered as generally applicable to grants of Mines and Minerals . . . in any of His Majesty's Foreign Colonies", the department ruled "that the reservations *usually* made in grants of Mines in Great Britain do not afford any just criterion whereby a satisfactory decision might be formed" and thus peculiarly colonial terms were required.[65] Specifically, the venture should pay only a nominal rent for the first five years (£1 per year), with no royalty, and for the remaining 31 years the rent would be £1 plus one-twentieth part of the minerals, or (on coal) 1d per ton. Ten years earlier, the same board had limited George Smith and William Liddell's term to 15 years, fixed their rent at £370 per year, added a royalty of 3s 6d per chaldron, and expected payments to begin in the next quarter. As the ruling's preamble detailed — and as its conclusion certainly guaranteed — conditions were different. Ultimately, the issue had little to do with creating coal mines, joint-stock ventures or the requirements of large-scale capital investment. The case for exceptional treatment rested on the additional problems a British firm would encounter in these primitive colonial conditions, and the benefit which could then be obtained from their solving such problems through colonization. To be sure, property considerations mattered, but population as much as pure economics was figured among the basic criteria for their decision. As Rundell himself observed, by encouraging "whatever may increase and employ the population", the GMA also promoted the internal development of the colony.[66] Such actions complemented the good government of Britain, and indeed of the Empire, because they encouraged the twin colonial virtues of improved population management at home by transferring the distressed classes overseas, as well as the good government of Nova Scotia by encouraging the twin liberal virtues of sound economic policy and a greater population.[67]

The argument was repeated again and again over the next 30 years. Almost every letter, statement or petition to come out of the GMA, whether from Richard Smith in Pictou, Samuel Cunard in Halifax or Edmund Rundell in London, emphasized that the Association was not only a foreign mining venture, but also an agent of colonization, of "extend[ing] society to distant places".[68] An 1828 petition that picked up the issue of surplus population and the importance of planned colonial settlements could have been

64 Treasury Minutes (copy) in Kempt to Huskisson, 13 May 1828, CO 217/148.
65 Treasury Minutes (copy) in Kempt to Huskisson, 13 May 1828, CO 217/148 [emphasis added].
66 Rundell to Hay, "Personal", 29 November 1828, CO 217/148.
67 Foucault, "On Governmentality", esp. pp. 98-101.
68 As cited in Cawsron and Keane, *The Early Chartered Companies*, n.p. [from the preface]. Note, too, this expression in Wakefield's description of Australian colonization as "an extension of the old society", in Wakefield, "A Letter from Sydney", p. 165.

written by Wilmot Horton himself. When petitioning for the inclusion of Cape Breton in their lease, the GMA directors emphasized what they had already accomplished: that they had brought with them "many unemployed families . . . erected houses and otherwise provided for the sufficient comfort of settlers and . . . given them and many other new settlers otherwise without employment profitable occupation". And more could be done. The GMA, they concluded, was not only providing for the "increase in the internal strength of the Colony", but also the "public benefit of the Empire".[69]

Three years later, fearing a reduction in the duty on British coal exports, the Association again petitioned for their rights "as British subjects working upon British capital in a British colony". This time they detailed much more precisely their role in assisting emigration and benefiting the empire. The Association had

> to the great advantage and improvement of the Colony, planted new collieries and consequently formed new settlements of population in places where none before existed . . . [they had] erected furnaces, established wharves, laid down railroads, sent from this Country numerous workmen from the distressed and overinhabitated districts, in most cases with their wives and families, all of whom are employed and paid by the Association, lodged in houses built by the Association, [and] supplied with Stores found by the Association.[70]

This was a carefully crafted argument, referencing a number of important colonization issues. The final comment was significant: these settlers were not charges upon either British authorities or the colonies. In 1831 the reference to the "overinhabited districts" was significant amidst the on-going debates over the Reform Bill and the New Poor Law and this might attract the attention of members of Parliament seeking other forms of domestic reform.[71] The Association's arguments were part of a broader case intended to secure their claim for protection. Each of the Association's petitions during this time period consistently emphasized four themes: the revenue the Crown derived from their lease, the size of the Association's investment, their contribution to relieving distress at home and their peopling of the overseas colonies. The Association's directors justifiably boasted that, where so many overseas settlement programmes had proved to be either failures or scandals, theirs had planted, populated and moreover paid for new settlements. They had founded, as one writer observed ten years later, "a colony of miners".[72] In some ways, the language the GMA used here was strategic, a rhetoric chosen because it resonated in a politically useful fashion. Thus it may have reflected more what the Association's

69 Petition of Rundell, Bridge, and Rundell, 22 January 1828, CO 217/148. On Wilmot Horton, see Winch, *Classical Political Economy and Colonies*, pp. 65-92.

70 Petition of the [GMA], signed by Edmund Waller Rundell, 30 April 1831, CO 217/153.

71 E.P. Thompson, *The Making of the English Working Class* (Hammondsworth, 1963), pp. 887-913; Dror Wahrman, *Imagining the Middle Class: The Political Representation of Class in Britain, c.1780-1840* (Cambridge, 1995), pp. 298-327.

72 Report of George Wightman on the GMA, 10 March 1842, no. 37, vol. 3, RG 21, PANS. For examples of other petitions employing the same strategy, see General Mining Association to Russell, secretary of state for the colonies, 27 November 1840; CO 217/176; Memorial of [GMA], n.d. [1828], no. 32, vol. 459, RG 1, PANS; Petition of [GMA] (signed by Cunard), 22 December 1842, no. 104, vol. 459, RG 1, PANS.

proponents felt they should say they were doing than what the GMA was actually doing. In a number of ways, however, such language did reflect the Association's actual plans and practices in the colonies — how its members envisioned the GMA's future, as well as its place in the future of the colony.

Certainly, the early GMA had great expectations for the marketing of their coal production. Marilyn Gerriets, Ian McKay and Delphin Muise have all, in varying degrees, emphasized the Association's excessive reliance on exports to the United States market,[73] but such was not its original plan. The Association seems to have understood that its imagined industrial complex meshed well with emerging colonial policy and, for a time at least, it believed that it could create a local market for coal, although it did seek a United States market from the first. The expectation of exports to the eastern United States motivated the Association's early efforts to have Sydney and Pictou made free ports in the summer of 1828.[74] The point was made explicit in a petition three years later when the British officials were considering removing export duties on the country's coal, a move the GMA feared could ruin them in the United States market. From the "outset of their establishment", they argued, "the Association had not alone in view the remuneration to be found in the Colony itself . . . but was chiefly encouraged by the hope of establishing Nova Scotia Coal in the markets of the United States".[75] And this was no empty rhetoric; the GMA had agents appointed in most major United States ports from Baltimore to Portland by 1829, as well as depots in New York and Boston.[76] At the same time, the petition was careful to note that injury to the GMA's market in the United States might "even in Nova Scotia, incapacitate them . . . from bringing to maturity their present system and plans". The Association acknowledged it was more reliant on the United States market than the Colonial Office might like, but the GMA was also reminding British authorities that it was on such trade that its larger programme rested. If, by the mid-1840s, the Association looked to be focused exclusively on the export of coal, it was because the broader components of their plan had failed, not because the GMA was locked in a narrow mercantile mindset.

In a colony where a new grist mill was worthy of note, the works envisioned by the GMA were on a scale never before witnessed. In Pictou in the summer of 1827, Richard Smith, following up on an earlier survey, investigated the mining and manufacturing possibilities of the province and described their "intended weighty establishment".[77] That earlier report noted the combined presence of coal, iron, limestone and clay and laid the groundwork for the first decade's plan. Smith, drawing on his background in Black Country coal and iron works, described an industrial

73 Muise, "The General Mining Association"; McKay, "Dependent Development"; and Gerriets, "Impact of the General Mining Association".

74 Samuel Cunard made a similar demand two years earlier, making free port status a condition of his obtaining the Sydney lease. Cunard to Kempt, 9 January 1826, enclosed in Kempt to Horton, under secretary of state for the colonies, 13 February 1826, CO 217/146.

75 Petition of the [GMA], signed by Edmund Waller Rundell, 30 April 1831, CO 217/153.

76 Some correspondence with these agents is in "GMA Letterbook, 1827-1833", MG 14, 19 D.8.a, BI.

77 Petition of Richard Smith for the General Mining Association, 4 June 1827, no. 11, vol. 459, RG 1, PANS. The General South American Mining Association sent out George Backwell in the spring of 1826. Kempt to Horton, 16 April 1826, CO 217/146. Backwell to Huskisson, 7 March 1828, CO 217/148. See also Brown, *Coal fields*, pp. 56-7.

complex embracing a coal-yard, iron foundry and brick plant. These, in turn, would require roads, housing for workers, wharves for shipping and the physical plants themselves. Smith, an engineer, may have been excessively enthusiastic about building more and bigger, but the Association's financial calculations on obtaining the lease must have been predicated on just such a plan.[78] Although exports to the United States would be key, the GMA foresaw much more than a mine and a wharf.

Much of this planning was actually fulfilled. Within three years of Smith's plan, the iron foundry was in operation, a brick plant operating, new and larger wharves had been built and the colony's first steam engines were in operation. Ten years later the first railroad was in operation. The GMA's impact in the first few years was substantial, though at the same time restrained by the nature of the enterprise and the uncontrollable vagaries of investment in a colonial society. Until the 1840s, the company brought almost all its men and much of its equipment from Britain. A few local men were hired, and the company occasionally felt the need to advertise to obtain some seasonal workers, but coal mining required skilled colliers, and few were to be found in Nova Scotia at this time.[79] Most manufactured equipment — even rope — came from England as late as the 1860s.[80] The one product Nova Scotia could supply well in the 1820s was timber, especially the rough timber needed for the pit props to support the mine roof.[81]

Combined, the mines also provided a nicely concentrated consumer market of between 700 and 1,200 men and their families. In 1838, figures supplied by the Albion Mines managers claimed that the Association expended almost £9600 per year

78 Indeed, it was on the basis of the long-term, fixed-capital costs involved in building an iron works that Jonathan Parkinson, the solicitor for the Duke of York, had the lease extended from 36 to 60 years. Parkinson to the Duke of York, (copy), 3 April 1826; enclosed in Kempt to Huskisson, 13 May 1828; CO 217/148.

79 *Colonial Herald* (Charlottetown) 4 May 1839 as cited in Rusty Bittermann, "Farm Households and Wage Labour in the Northeastern Maritimes in the Early Nineteenth Century", in Daniel Samson, ed., *Contested Countryside: Rural Workers and Modern Society in Atlantic Canada, 1800-1950* (Fredericton, 1994), p. 56. In his oft-cited 1842 report on the mines, George Wightman centred his critique on what he felt to be the excessively high wages for what he believed to be unskilled work, erroneously comparing the work of colliers to gypsum quarriers. Wightman's comments were driven by his mission, which was to expose the faults of "the monopoly". The report is a valuable document on a number of fronts, but its author knew little about mining. See Report of George Wightman on the GMA, 10 March 1842, no. 37, vol. 3, RG 21, PANS.

80 See the discussion of ordering for stores in Richard Brown, Sr. to Richard Brown, Jr., 19 January 1866, no. 1, vol. 151, MG 1, PANS. Richard Smith commented on rope being expensive in Halifax compared with England; Smith to Almon, 21 June 1827, RG 002/01/0001/0000/0001 Scotiabank Group Archives [hereafter, BNS Archives Pictou Letterbook, or Halifax Letterbook]. There were at least two ropeworks in Halifax in the 1820s and 1830s, including the Stanyon works which were founded in the same year as the GMA. See David Sutherland, "The Stanyon Ropeworks of Halifax, Nova Scotia: Glimpses of a Pre-Industrial Manufactory", *Labour/le Travail,* 6 (Autumn 1980), pp. 149-58.

81 Account Book of John G. Grant, 1847-77, vol. 117, MG 3, PANS. For Sydney, see the timber contracts in a list dated December 1854, for "perfectly hewed, exactly of the dimensions specified, and delivered by the 15th of April on the roadside leading from the No. 3 pit . . . at 10/ per 100 feet". "GMA Timber Contracts, 1854-64", D.16, MG 14, 19, BI. That contract is on the first page; the next five seem to record payment and delivery. Similar contracts for the same time-period exist for the Lingan mine as well.

on provincial agricultural produce.[82] While company officials noted the "ready market" farmers found for their produce in and about the mines, either the supply was inadequate or the company preferred the terms elsewhere, as the company ran its own farm at Bras d'Or and continued to import substantial amounts of produce.[83] Nevertheless, the Association's wages were an important contribution to the local economy. As the company was quick to point out, its employees were paid in cash, and that meant that miners became very desirable customers among local merchants.[84] In both Sydney Mines and Albion Mines, there were company-run stores, but it appears that the men were not obliged to purchase their goods there. The purchases of local produce and timber, combined with more than £44,000 in wages paid out in 1838, made a substantial addition to the economy of Pictou County. Allowing for extra expenditures due to the railroad construction underway at this time, the GMA was putting about £66,000 per annum directly into circulation in Nova Scotia during the late 1830s, given that their Sydney operations need to be factored in as well.There were also ancillary benefits such as the free port status of both Pictou and Sydney. It is not clear how the measure was accomplished, but there was no doubt locally that this was a clear illustration of the leverage exercised by metropolitan commercial capital in the halls of Downing Street.[85] Local merchants quickly moved to enter the coal-shipping trade. For some at least, it provided a substantial addition to their business, and it may also have spurred ship construction.[86]

82 See "Account of Expenditure at the Albion Coal Mines, in the County of Pictou, in the Year ending on the 31st December, 1838", Copy of Return Marked "F" in Nova Scotia, *JHA*, 1839, Appendix 50. That, however, may be deceptive. In 1833, for example, Andrew Belcher was buying rope and shovels in Halifax but they were manufactured in the United States; Belcher to Brown, 10 April 1833, no.37, D.9.a, MG 14, 19, BI.

83 Joseph Smith, "Return Marked C", reprinted in Nova Scotia, *JHA*, 1839, Appendix 50; "Diary, Richard Brown", June 1830 to February 1832; no. 8, vol. 40, "A", RG 21, PANS; and Diary, Richard H. Brown, Sr, 29 December 1849; no. 9, vol. 38, "A", RG 21, PANS. The GMA occasionally advertised its need for oats; see *Cape Breton News* 17 November 1852. There was, of course, an incentive for coal shippers to return if they had a cargo for the mines. See Brown to Deblois, 24 May 1833 (hay), no. 18a, D.9.a, MG 14, 19, BI; [unsigned letter dated at Boston] to Smith, 22 June 1833 (oats), no. 20b, D.9.a, MG 14, 19, BI; Belcher to Brown, 20 April 1833 (English leather), no. 32, D.9.a, MG 14, 19, BI; Belcher to Brown, 10 April 1833 (rope and shovels), no. 37, D.9.a, MG 14, 19, BI; and Deblois to Smith, 14 July 1832 (hay), no. 60, D.9.a, MG 14, 19, BI. Smith to Cochrane, 31 August 1832, D.8.a, MG 14, 19, BI; and Smith to Deblois, 6 September 1832, D.8.a, MG 14, 19, BI.

84 Primrose to Almon, 18 April 1839; 17 August 1839; Primrose to Forman, 14 April 1842; Pictou Letterbook, 1, BNS Archives.

85 Henry Poole, in "Report", vol. 35, "R", RG 5, PANS; *Colonial Patriot* 14 March 1828.Gerald S. Graham describes the efforts to make Halifax an entrepot in his *Sea Power and British North America, 1783-1820: A Study in British Colonial Policy* (Cambridge, Mass., 1941), 195-215. Despite the changes to Pictou and Sydney's status, for merchant-capitalists outside Halifax, the free port issue remained significant.See Great Britain, *Parliamentary Papers*, William Young to the Earl of Durham, item no. 3, Appendix "A", "Report on the Affairs of British North America from the Earl of Durham", (1839, volume XVII).

86 On local merchants shipping coal, between the spring of 1831 and the end of 1833, at least 14 different Pictou merchants shipped coal mined on the East River. Based on a one-in-two sample (51 weeks) of clearances from Pictou harbour between April 1831 and December 1833 as reported in the *Colonial Patriot*. Correspondence in the BNS letterbooks suggests that because of the GMA the bank's officials saw some potential locally for more shipbuilding. Primrose to Almon, 11 March 1839, Halifax Letterbook, Scotiabank Group Archives.

This programme for the internal development of the province complemented colonial policy, a point which again and again the Association employed as best it could. "As one great object of colonial Policy", Edmund Rundell reminded Hay, the under-secretary for the colonies, "is the encouragement, by all possible means, of whatever may increase and employ the population, one of the most effectual that can be devised towards its speedy attainment in Nova Scotia is the extensive *consumption* of coals".[87] In this particular petition, Rundell's immediate objective was neither "improvement" nor economic development. The Association was looking to have the royalty removed from coal sold to their own foundry; they merely wanted to reduce their production costs. At the same time, they offered to extend a similar benefit to all "smelting houses, Cupolas, Foundries & Forges that may be established on the East River of Pictou, not belonging to the Association" whereby these facilities would pay a reduced royalty of only 6d per chaldron (rather than 2s).[88] This proposed subsidy for local use was, obviously, good business practice for the Association, a way to increase local sales. But it is singularly remarkable as one of the few assessments of the role the coal industry might come to play which stressed not only its immediate and direct effects, but also its longer-term possibilities.

These ideas may appear unexceptional, even banal, but they contrast with the thoroughly mercantile logic of the alternative position adopted in Halifax. In reply to the Association's petition, a committee of the Legislative Council argued that the "least objectionable mode by which the exportation of coals could be promoted" was not free port status for Sydney and Pictou but a higher duty and trans-shipment through Halifax.[89] That, of course, made sense only in a narrowly conceived, mercantile logic of maintaining a stable revenue. Employing the logic an 18th-century state economist might have used, the merchant-councillors believed that the trade existed to provide revenue.[90] They did not suggest that more production could occur, or that it might be good if it did. Council felt the trade could be improved by being better regulated; and better regulation meant channelling all traffic through Halifax, and then adding customs fees to pay the additional costs. If there was a vision of development, it was not coming from the state, but the Association. At this point at least, the Association's directors saw the desirability of creating not merely an industrial "enclave", but also an extended local market for their product.

The Colonial Office rejected the proposal for a release from the royalty on local sales, although the Treasury office removed the royalty from coals for the

87 Rundell to Hay, "Personal", 29 November 1828, CO 217/148 [emphasis added]. It was this same argument the Shubenacadie Canal Company used the following year. A newspaper commentary from 1827 emphasised the domestic market for coal in a cold province, the wider possibilities for export of coal, iron and even steel, and also makes the link between increased population of the area and the domestic and export markets for both coal and iron. See *Novascotian* (Halifax) 18 October 1827.

88 Rundell to Hay, 29 November 1828, CO 217/148 [note this is *not* the same letter as in the previous footnote].

89 Kempt to Horton, 8 April 1827, CO 217/147.

90 In his classic account, Eli Heckscher describes mercantilism as government principally guided by the state's first interest, power, and thus where "all economic activity [must be] subservient to the state's interest". See his, *Mercantilism*, vol. II, ([1931] London, 1955), pp. 13-23 quotation at p. 15. See also M. J. Daunton, *Progress and Poverty: An Economic and Social History of Britain, 1700-1850* (Oxford, 1998), pp. 535-40; and Hilton, *Corn, Cash, Commerce*, pp. 303-14.

Association's own use. Hay agreed that the broader proposal might be beneficial, but discouraged Edmund Rundell from pursuing the issue so soon after the lease had been finalized.[91] In addition to their concerns over the conditions of trade, Treasury officials were sensitive to how the measure might be received in Halifax where there would be alarm over any potential infringement on the Crown's casual revenue, four-fifths of which was derived from coal mines. The GMA's scheme might have been seen as little short of picking the pockets of the lieutenant governor, the attorney general, the solicitor general, and the provincial secretary (whose salaries, in turn, ate up four-fifths of the casual revenue). The coal revenues were not monies to be toyed with. Throughout the province's negotiations with the Association, the Colonial Office and the lawyers for the Duke of York, the issues of how coal royalties were to be obtained and their value were central. But, again, the concern was political, and only barely economic. The Board of Trade, perhaps as a sop to the province, recommended a duty be placed on coal exports. Lieutenant-Governor Kempt and the Legislative Council, who up to this point had been amenable to most suggestions, balked firmly on this one. Feigning concern for the well-being of his subjects, Kempt explained that "Any Export Duty imposed by Parliament would necessarily check demand for the exportation of Coals, increase their price to the consumer, and diminish the hereditary revenue which the King received from his Mines".[92]

Perhaps Kempt had in mind the interests of the domestic consumer, but there certainly were other issues. It was Kempt's final point which was the really important issue: to the governor and his Council, how the revenue was collected mattered a great deal. A royalty would go to the casual revenue, controlled by the governor and Council, whereas a duty would go into general revenue and thus, as Kempt noted ominously, "be at the hands of the Assembly".[93] As the negotiations over whether the GMA would pay £3000 or £3300 (and whether it would be in Halifax currency or sterling) dragged on for months, no one mentioned that Samuel Cunard had once offered £6000 per year for the Sydney mines alone. The executive's was a curious form of rentier mentality. So long as their salaries were paid, they appear to have been content. A rent-maximizing rentierism (and thus a concern for development) did not emerge until the achievement of responsible government in 1848, when a connection was established, through patronage, between revenue and popular politics.[94]

This was the socio-intellectual milieu in which the GMA was created. The Association was a curious hybrid form: a British mining company born in an investment rush on foreign mines which shifted its location to a British colony and created an industrial colony. Where Brazil might have produced a certain Latin romance and a more publishable adventure story,[95] Nova Scotia presented security of tenure, British law and a more stable political climate. Both would have presented the

91 Edmund Rundell to Hay, 6 December 1828, CO 217/48.

92 Kempt to Horton, 28 October 1826, CO 217/146.

93 Kempt to Horton, 8 April 1827, CO 217/147.

94 This point is developed in my "Colonial Liberalism: The General Mining Association, the State, and the Attack on Monopoly in Nova Scotia", (paper presented at the Centre for Canadian Studies, Edinburgh University, Edinburgh, U.K., 7 May 1999).

95 Jenks, *The Migration of British Capital*, cites dozens of these. See also Mary Louise Pratt, *Imperial Eyes: Travel Writing and Transculturation* (London, 1992), pp. 144-71.

Association with the difficulties of any overseas operation, but Nova Scotia presented a more attractive investment climate, as well as a special challenge. This was no adventure in Latin American plunder; the payoff would not be instant riches. It would take longer and require a heavy capital investment. The GMA was building an entire industrial-social infrastructure, and starting from scratch: building mines, railways, wharves, homes, roads, a foundry and a brick-making plant. It was not a typical colonization company operation, nor was it an overseas mining adventure. And it cannot be understood as a proto-typical, indigenous industrial enterprise. The structures of the operation, the principal figures' backgrounds and in many ways their understanding of the principles and practices by which they would be guided, were all clearly rooted not only in colonialism, but also in colonization programmes as then understood. The GMA was an industrial scheme adapted to the social and economic peculiarities of a settler colony and the political expectations of the colonial and imperial states.

Did the GMA "retard" the growth of the coal industry in Nova Scotia? It certainly did, though not in the second quarter of the 19th century. Prior to Confederation, the investments of the GMA represented the single largest financial venture ever in Nova Scotia. Together, the construction of the industrial complex — not only the visible features such as the works and the towns, but also its less visible features, the skills of the colliers, engineers, foundrymen, managers and especially these men's greatest accomplishment, the underground works themselves — represented an enormous advancement over what had existed before. The firm, through the good graces of the British government, established markets which had heretofore been unexplored. The context, though, was shifting rapidly, and the Association's limitations on expansion — its high fixed costs, dependence on foreign markets and limited capacity to compete in them — ultimately blocked its own further development and circumstances were increasingly problematic by the 1840s.

Most important, however, was the GMA's long-term impact on the shape of Nova Scotia's coal industry and the relationship between the state and monopoly capital. During a time when the coal industry might have been driven by competitive conditions and local capital, the GMA held a state-sanctioned monopoly on production (though illegal "bootleg" production and smuggling continued to irritate the company).[96] The Association, in combination with the state, successfully blocked competition, ensuring a safe operating environment for itself and reasonable, though unspectacular, returns for its investors. But this was not because it was locked into an older "mercantile" world view. A mercantile approach explains the response of the state better than it does the plans of the GMA. The company offered a massive infusion of capital and an envisioned industrial undertaking the likes of which Nova Scotia would not see again for more than 50 years. The Association was aggressively pursuing the profits and potentialities of the colonial future, though it was doing so in the curiously Janus-faced manner of industrial colonization. The future would demonstrate that in the same way that systematic colonization was ill-suited to the

96 Cook to Almon, 19 November 1828, MG 14, 19 D.8.a, BI; Smith to Kempt, 27 July 1832, no. 159, vol. 458, RG 1, PANS; "Notes on GMA prosecutions", William Young Papers, no. 292(a), vol. 732, MG 2, PANS; *Novascotian*, 24 February 1851.

emergent liberalism of the settler colonies, so too was industrial colonization.[97] But that was for the future, and the planning of the future took place in the present.

The major blow to the Association's plans came in 1841 and 1842. The "field" it had entered 18 years earlier was radically changing its shape. To the south, the Reading Railroad had been completed, connecting the Pennsylvania coalfields with the industrial northeast and reducing by $1.50 per ton the cost of shipping coal to the seaboard. And the United States had placed an additional duty of $1.75 per ton on imported coal. The effect on the GMA was immediate. The ships which normally carried GMA coal to the United States simply did not stop at the company's wharves. The company had shipped 21,000 chaldrons in the first six months of 1842; normally the first half of the year was the slow season, but the figure for the second half of 1842 was only 8,400 chaldrons — and most of that went to other British North American colonies. That autumn Samuel Cunard was again petitioning for further reduction in coal royalties.[98] While the trade reversal showed some recovery the next year, the effects were still substantial. In part the recovery stemmed from recognition that the Nova Scotia bituminous coal was only partly in competition with the Pennsylvania anthracite, but it was also because the GMA had dramatically lowered its price. In combination with a series of strikes (themselves very much related to this turnabout in the market and the reduction in the company's price for coal), the inferior quality of the local iron ore and the weak colonial market, the reduced price halted further expansion and development of the local works.[99] The political economy of the market had changed, not the company nor its desired ends. "The mercantile context", writes Ian McKay, "imprisoned industrial development in the perpetual realm of the short-term".[100] This was undoubtedly true in the 1860s and 1870s. But in the 1820s and 1830s, McKay's argument seriously underestimates the anticipated long-term plans and possibilities.

McKay's essay on dependent development in the Cape Breton coalfields in the 1870s leaves us with the vivid image of Sydney Mines' manager, Richard Brown, Jr., looking out across Sydney Harbour, waiting for the next ship, like a ship-captain's wife waiting for her husband to return home after a dangerous voyage. The image is highly evocative of his main theme: the coal industry as a fundamentally mercantile,

97 Winch, *Classical Political Economy and Colonies*, pp. 144-8; and Philip McMichael, *Settlers and the Agrarian Question: Foundations of Capitalism in Colonial Australia* (Cambridge, 1984).

98 Petition of the [GMA], 22 December 1842; no.104, vol. 459, RG 1, PANS; and Moser to Stanley, 5 January 1844, London, reprinted in Nova Scotia, *JHA*, 1845, Appendix 1. The results of this petition are unclear. The next item in this file is an expression of gratitude from Cunard, but correspondence reprinted in 1844 and 1845 suggest no augmentation was given until 1845, and it was for 6,000, not 20,000 chaldrons. See Nova Scotia, *JHA*, 1844-5, Appendix 1. See also William Young to Moser, 31 July 1854 reprinted in Nova Scotia, *JHA*, 1855, Appendix 3.

99 These events are described in more detail in the author's "Industry and Improvement", pp. 691-776. One of my anonymous critics observed that two other factors in the 1830s — the increased movement of American anthracite into the major markets of the northeast United States and the removal of the British export tax on coal — meant that the company was probably pulling back even earlier than 1842. This is a good point. The company may have been pulling back earlier, but the effect of the changes in 1842 were much more dramatic, not only pushing the GMA to attempt a wage rollback on their employees, but also compelling most of their American-owned vessels to withdraw — something which did not occur at any time during the 1830s.

100 McKay, "Dependent Development", p. 29.

if not pre-industrial, staple-producing enclave, dependent entirely upon the arrival of independent coastal traders and American brigs and ships. It is ironic that in the 1870s, this firm, which had been path-breaking, energetic and even visionary, was at this later date so moribund and conservative, apparently unwilling to take the kind of risks it had in the past. It is ironic, too, that this occurred after the break-up of its monopoly when, in theory, competition should have driven the firm to be more innovative. That it did not says more about the shortcomings and assumptions of classical political economy than about the history of the either the GMA or Nova Scotia, and it is a useful reminder not to confuse dynamism, or colonial visions, with capitalist practice. Let us conclude, then, with a different image, one more appropriate to the firm's early years. Let us envision instead Richard Brown's earliest predecessor, Richard Smith, standing on the steps of the manager's impressively built and situated estate, Mount Rundell, gazing upon the valley of the East River, and planning the Association's works. As he mentally sketches the locations of the various components of the GMA's industrial complex, his mind returns to Staffordshire, and for an instant he sees stretched out before him not the Albion Mines and a poor agricultural colony, but England's industrial Midlands.

The GMA was a classically colonial phenomenon, the offspring of British imperial politics, British financial markets and the capital capacity of a now ascendant British middle class. It was grounded as well in the firm belief that Britishness was something not only to be admired but also re-constructed overseas. Like most of the overseas firms formed in this heady period, the GMA's "investments" represented new capital earned in the extraction of surplus value produced by British smallholders and the dispossessed, as well as the old money of the ancien regime; in both cases, they also represented years of long pent-up desires, not only for profit but also for the fantastic returns imagined possible from the long-forbidden fruits of the former Spanish colonies — gold, silver and the exotic lapis lazuli. The coincidence of victory over the French, the decline of the Spanish, the rise of the Latin American republics and the beginnings of a century of virtually unchallenged British naval superiority after 1815 literally opened the world to Britain, but also, in turn, changed Britain and changed how it would then transfer overseas its peculiar ways. Within Britain, combinations of capital formation, class conflict, agrarian improvement and liberal and utilitarian political ideas fundamentally changed the country and altered models and practices of governance in ways completely unforeseen a half-century earlier. By the 19th century, the drive for overseas dominion was propelled by a sense of "the expansion of England", of a class, race and gender-specific compulsion, a nationalist/colonialist dream, to recreate Englishness abroad.[101] In the thinking of the directors of the GMA, in men like the Stewarts and Samuel Cunard, as well as in the men who ran the Colonial Office, it is possible to see a vision of an imagined empire that logically

101 A point also stressed by Bruce Curtis, *True Government by Choice Men? Inspection, Education, and State Formation in Canada West* (Toronto, 1994), pp. 11-14; and surprisingly underplayed in Allan Greer and Ian Radforth, "Introduction", in Allan Greer and Ian Radforth, eds., *Colonial Leviathan: State Formation in Mid-Nineteenth-Century Canada* (Toronto, 1992), pp. 3-16. See also Schwarz, ed., *The Expansion of England*; and C.A. Bayly, *Imperial Meridian: The British Empire and the World, 1780-1830* (London, 1989), pp. 251-2.

flowed from the drive to plant Britain overseas. Much the same was understood by players on the western side of the Atlantic. Colonial officials and a nascent colonial bourgeois class were aware of the same basic issues and desirous of many of the same results. If the Nova Scotia elite were not imagining a new empire (they were clearly aware of their place in an existing one), they were certainly imagining a New World order, a state with the capacity to organize and govern property and production. In this context the local elite would set their own course, but they would do so in ways learned from the "parent country" and facilitated by colonial capital.

Behind the GMA lay a vision of New World dominion. A major part of that vision was making money the old-fashioned way: putting capital to work and exploiting labour power — the only "capital" that many others possessed. In many ways, as is often the case with visionary plans, the GMA strategy was ill-conceived. Building a full-scale industrial civilization in the midst of a still young and thinly developed colony was probably not wise; perhaps lapis lazuli might have been a better investment after all. But the men who supported the GMA had a vision based on the opportunities they saw about them, and they thought it would pay. Like the Stewarts, they were men who looked around and saw opportunities. Their vision was grounded in the economic and social problems they saw in Britain: the misery of the working class and the plight of rural labourers and smallholders. It was based, too, in a North Atlantic labour market that had just freed the slaves' political selves but still required their labouring bodies. The task of the investors in the GMA was to tap into one small part of this world. We need to appreciate, if not necessarily to admire, these men's comprehension of that broader context. They recognized the possibilities in employing Old World capital and displaced Old World labourers in the New World. They sought to build something new on the back of the old, transferring what they believed to be good in Britain to America, building estate farms, mines, railroads, canals and foundries, and bringing the skills of British labour and capital to bear on colonial possessions.

It is hard not to admire the grandeur of that vision, the kind of vision behind what Marshall Berman refers to as the "Faustian model of development".[102] Like Mephistopheles, the directors of the GMA were in fact doing the "dirty work" of empire, but they thought they were planning the future in the manner of Faust. It was not a dream of freedom and democracy for free-born Britons, but a dream of dominion. The builders of the GMA were imagining new industrial colonies peopled not with slaves but with what would later be called "wage slaves", men and women not purchased in West Africa but recruited in Wales, Scotland, and Staffordshire and, increasingly, from the farms of northern Nova Scotia and Prince Edward Island.

102 Marshall Berman, *All That Is Solid Melts Into Air: The Experience of Modernity* (New York, 1982), pp. 71-5.