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# “An Imperial Clearing House for Commercial Information and Suggestions:”<sup>1</sup> The British Imperial Council of Commerce, 1911–1925

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## Abstract

This paper departs from the preoccupation in the literature with the pressure group activity of single chambers of commerce by examining an influential but previously neglected federated business pressure group, the British Imperial Council of Commerce (BICC). Set within interlocking dynamics of British Imperial and global history and the clamour for imperial preference, it focuses on BICC’s interface with the British government and its overseas dependencies in the context and vortex of Imperial economic policy, the First World War, interimperial competition, especially Anglo–German rivalry, and the vagaries of the world political economy. This essay provides insights into the internal affairs of the BICC, business–government relations in the British Empire, and the political economy of the Empire between 1911 and 1925. It demonstrates how the BICC, focused on Imperial economic governance, navigated the conflict between the prevailing ideology of *laissez faire* (free trade) and the clamour for xenophobic protectionism during the First World War and its aftermath. The paper highlights the limits of business pressure group activity, and the impact of the war and its aftermath on the BICC.

**Keywords:** British Empire; Imperial Preference; British Imperial Council of Commerce; Chambers of Commerce; Business Diplomacy

Business–government relations are a complex, multidimensional subject, which scholars have approached from various theoretical, spatial, and temporal perspectives.<sup>2</sup> Chambers of commerce aggregate the business interests of leading industrial and commercial cities in their engagement with government through business diplomacy.<sup>3</sup> Much has been written on the formation, structure, operations, and impact of British Empire chambers of commerce, largely in single-chamber case studies.<sup>4</sup> Umbrella or

<sup>1</sup> The quote is from “Reports of the British Imperial Council of Commerce,” reprint from *The Times* (London), 25 May 1911, Guildhall Library London [hereafter GLL], MS 18,282/1, “The Proposed British Imperial Council of Commerce: Need for Unification” (From a Correspondent), 5.

<sup>2</sup> V. Chaudhri and D. Samson, “Business–Government Relations in Australia: Cooperating through Task Forces,” *Academy of Management Perspectives* 14:3 (August 2000), 19–30; and Wynn Grant, *Pressure Groups and British Politics* (London: Palgrave Macmillan, 1999).

<sup>3</sup> See Thomas David and Pierre Eichenberger, “Business and Diplomacy in the Twentieth Century: A Corporatist View,” *Diplomatica* 2 (2020), 48–56.

<sup>4</sup> A notable exception is Robert J. Bennett, *Local Business Voice: The History of Chambers of Commerce in Britain, Ireland and Revolutionary America 1760–2011* (Oxford: Oxford University Press, 2011). But its approach—largely

federated chambers, which operated at the highest level of the Imperial political economy, have suffered relative neglect.<sup>5</sup>

This article departs from the dominant preoccupation in the literature with single chambers of commerce,<sup>6</sup> merchandise-specific trade interests (cotton, palm produce, sisal, etc.), and those with a regional focus. It examines an influential but previously neglected business pressure group, the British Imperial Council of Commerce (BICC), the precursor of the Federation of Commonwealth Chambers of Commerce. The only substantive reference to this organisation is a single paragraph in a study of the Congress of Chambers of Commerce of the British Empire, which birthed the BICC.<sup>7</sup>

This pioneering study of the BICC in its interface with the British government and its overseas dependencies is situated in the context of Imperial economic policy, the First World War, interimperial competition, and the vagaries of the world political economy. Relying largely on the proceedings of congresses and annual reports of the BICC housed in the Guildhall Library, London,<sup>8</sup> this piece provides insights into the internal affairs of the BICC, business–government relations in the British Empire, and aspects of the political economy of the Empire in the opening decades of the twentieth century. Like the Congress of Chambers of Commerce of the Empire (CCCE) before it, the BICC retained a “focus on economic governance.”<sup>9</sup> Specifically, this piece demonstrates how the BICC navigated the conflict between the prevailing ideology of *laissez faire* (free trade) and the clamour for protectionism during the First World War and its aftermath. The BICC’s focus was significantly transformed by encounters with the forces of the global political economy. This exemplifies the politicisation of an Empire-wide commercial lobby by the war and the forces unleashed by it.

BICC’s experience paralleled that of the League of Nations, which extended its primary mandate in the interwar milieu. While the former veered from business into the politics of citizenship and anti-German nationalism, the League, primarily charged with managing the post-World War peace, soon got enmeshed in managing the global economy as well. “The founding fathers of the League,” notes Patricia Clavin, “had not intended . . . [it] to contribute to economic reconstruction, or the operations of the world economy beyond a lofty pronouncement endorsing free trade.”<sup>10</sup> However, as “Paris had delivered treaties

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local, episodic, and thematic—is markedly different from this study of the BICC, a federated intercontinental Imperial business pressure group.

<sup>5</sup> Exceptions are A. R. Ileric and P. F. B. Liddle, *Parliament of Commerce: The Story of the Association of British Chambers of Commerce, 1860–1960* (London: Newman Neame, 1960); Dominic Kelly, “The Business of Diplomacy: The International Chamber of Commerce Meets the United Nations,” CSGR Working Paper 74:01 (May 2001); Andrew Dilley, “The Politics of Commerce: The Congress of the Chambers of Commerce of the Empire, 1886–1914,” *Sage Open* 3:4 (2013), 1–12; and Ayodeji Olukoju, “The Pressure Group Activity of Federated Chambers of Commerce: The Joint West Africa Committee and the Colonial Office, c. 1903–55,” *African Economic History* 46:2 (2018), 93–116. The last-mentioned is a study of a federation of British metropolitan chambers concerned with West Africa.

<sup>6</sup> For example, Arthur Redford, *Manchester Merchants and Foreign Trade, Vol. II, 1850–1939* (Manchester: University of Manchester Press, 1956).

<sup>7</sup> Dilley, “The Politics of Commerce,” 8, right column. The BICC is also mentioned on page 2.

<sup>8</sup> In addition to the minutes of meetings, annual reports, and proceedings of congresses of the BICC, private papers of its leading lights and contemporary newspapers published in the United Kingdom and the Dominions, apart from those cited below, could shed more light on the activities and perceptions of the BICC.

<sup>9</sup> Dilley, “The Politics of Commerce,” 2.

<sup>10</sup> Patricia Clavin, *Securing the World Economy: The Reinvention of the League of Nations, 1920–1946* (Oxford: Oxford University Press, 2013), 11.

but not a peace settlement, . . . it was now imperative to consider *The Economic Consequences of the Peace*.<sup>11</sup>

This article goes beyond a microhistory of an important Imperial lobby by placing the subject at the confluence of epochal dynamics in global and British Imperial history from the turn of the twentieth century. First, the BICC emerged in the immediate aftermath of the communications revolution of the late nineteenth century, which facilitated Imperial (and global) networks and flows of business, culture, and commercial ideas.<sup>12</sup>

Second, its formation and activities spanned the First World War, the postwar settlement, and the formation of the League of Nations.<sup>13</sup> An anti-German sentiment swept through the British Empire during this period, and the BICC duly exploited it to promote its commercial interests. As noted by Andrea Bosco, it was “Milnerism [the ideas of British secretary of state Alfred Milner] which ‘invented,’ to a large extent, the ‘German threat’ . . . in order to foster the closer union of the Empire, and to maintain Ireland under British rule.”<sup>14</sup> In the context of the history of BICC, the anti-German sentiment drove the clamour for protectionism that dominated the proceedings of the body.

Third, the BICC existed at a critical stage in British Imperial history: the prelude to the Third British Empire,<sup>15</sup> which formally commenced with the recognition of the de facto independence of the Dominions by the enactment of the Statute of Westminster in 1931.<sup>16</sup> While the Dominions had different attitudes to British imperialism, they sought to exploit the economic opportunities provided by the Empire. The BICC thus operated as a “business association geared to lobbying at a pan-imperial level . . . [and acted as] a self-appointed parliament of commerce.”<sup>17</sup> Its remit was interfacing with political and economic institutions, interest groups, and stakeholders, such as the British Parliament and the governments of the Dominions and the dependent Empire. Significantly, the mission of the BICC—exploiting economic opportunities in the Empire—coincided with the goal of the Round Table movement, which sought to maintain the ties between London and the Dominions, exploiting what Alan Lester has referred to as “the ‘geographies of connection’ between Britain and settler colonies.”<sup>18</sup> Though initiated by the London Chamber of Commerce in the metropolitan interest, the BICC became a tool for advancing Dominion interests as well.

Central to the existence of the BICC was the clamour for imperial preference in its own interest. The Tariff Reform League, formed in 1903, championed protectionism against

<sup>11</sup> *Ibid.*, 12. The italicised words alluded to the title of John Maynard Keynes’ book. Keynes represented the British government in the League’s economic conferences.

<sup>12</sup> Alan Lester, *Imperial Networks: Creating Identities in Nineteenth-Century South Africa and Britain* (London: Routledge, 2001); Alan Lester, “Imperial Circuits and Networks: Geographies of the British Empire,” *History Compass* 4:1 (2006), 124–41; Tony Ballantyne, *Webs of Empire: Locating New Zealand’s Colonial Past* (Vancouver: University of British Columbia Press, 2015).

<sup>13</sup> The League’s engagement with managing the postwar global economy, a shared concern of the BICC, is studied in detail in Clavin, *Securing the World Economy*.

<sup>14</sup> Andrea Bosco, *The Round Table Movement and the Fall of the ‘Second’ British Empire (1909–1919)* (Newcastle upon Tyne: Cambridge Scholars Publishing, 2017), 13–14.

<sup>15</sup> John Darwin, “A Third British Empire? The Dominion Idea in Imperial Politics,” in Judith Brown and Wm Roger Louis, eds., *The Oxford History of the British Empire, Vol IV: The Twentieth Century* (Oxford: Oxford University Press, 1999), 64–87.

<sup>16</sup> The white settler self-governing colonies of Canada, Australia, New Zealand, Newfoundland, Ireland, and South Africa became known as Dominions in 1907. In spite of India’s exceptional size and strategic importance, and the clamour of its nationalists, it was not accorded Dominion status.

<sup>17</sup> Dille, “The Politics of Commerce,” 3.

<sup>18</sup> Lester, *Imperial Networks*, 5. The movement’s structure, ideology, and strategies are studied at length in Bosco, *The Round Table Movement*.

“unfair” foreign (German and American) competition (imports) in defence of British industry. Its clamour for imperial preference was not widely supported in free trade Britain but resonated with the BICC.<sup>19</sup> As demonstrated in this article, the League’s position converged with the BICC’s campaign against “unfair” German competition.

“No single policy,” notes Dilley, “symbolised Empire-Commonwealth political economy more than preferential trade.”<sup>20</sup> However, the clamour, riding on the wave of anti-German competition, ran into the headwinds of British adherence to free trade. “A policy of free trade (few tariff barriers),” notes Clavin, “kept British markets open to the world. It sounded benevolent, but the system worked to the advantage of the British Empire. . . . Britain secured cheap raw materials and food that enabled it to concentrate its economy on the export of high-value manufactured goods.”<sup>21</sup> Though proposals for comprehensive imperial preference were rejected by the British in the 1923 elections, this did not deter the BICC from continuing the campaign until the Great Depression forced the British government to abandon free trade.

A contemporary of the BICC was the International Chamber of Commerce (ICC), founded in 1920 by leading American, British, French, Belgian, and Italian chambers at the instance of the U.S. Chamber of Commerce.<sup>22</sup> The ICC pursued “partnership between government and business conceived in terms of a broader world interest.”<sup>23</sup> Working with the League of Nations, the ICC promoted “World Peace Through Trade” and was involved in arranging the postwar reparations. That said, the ICC differed from the BICC in that it emerged a decade later and overlapped with it for only five years. Moreover, it had a more global reach, extending beyond the British Empire. However, both lobbies represented the cream of transnational interwar business diplomacy.

### Establishment of the British Imperial Council of Commerce, 1909–1911

The movement towards establishing a British Empire-wide business lobby began in 1886, and was initiated by the London Chamber of Commerce.<sup>24</sup> Chambers of commerce across the Empire founded the CCCE in August 1886. From then till 1911, a body known as the Congress Organising Committee organised triennial congresses of the CCCE. The Congress “sought to shape many aspects of economic governance affecting commerce, focusing its attentions chiefly on either the British government, or—most frequently—British and dominion governments together.”<sup>25</sup> The proposal to establish an Empire-wide business lobby to organise future congresses was mooted in Sydney in 1909 at the instance of Sir Albert Spicer, Bart., M.P., who acted as president of the

<sup>19</sup> The Tariff Reform movement has been examined in, among others, S. H. Zebel, “Joseph Chamberlain and the Genesis of Tariff Reform,” *Journal of British Studies* 7:1 (1967), 131–57; and Julian Amery, *Joseph Chamberlain and the Tariff Reform Campaign: The Life of Joseph Chamberlain Volume Five, 1901–1903* (London: Macmillan, 1969).

<sup>20</sup> Andrew Dilley, “Economic Governance in the Empire-Commonwealth in Theory and Practice, c. 1887–1975,” *History of Global Arms Transfer* 10 (2020), 68.

<sup>21</sup> Patricia Clavin, “Men and Markets: Global Capital and the International Economy,” in Patricia Clavin and Glenda Sluga, eds., *Internationalisms: A Twentieth-Century History* (Cambridge: Cambridge University Press, 2016), 91.

<sup>22</sup> The ICC is studied in G. L. Ridgeway, *Merchants of Peace: The History of the International Chamber of Commerce* (Boston: Little, Brown, 1959); Dominic Kelly, “The International Chamber of Commerce,” *New Political Economy* 10:2 (2005), 259–71; Kelly, “The Business of Diplomacy”; Clotilde Druelle-Korn, “The Great War: Matrix of the International Chamber of Commerce, a Fortunate Business League of Nations,” in Andrew Smith, Kevin Tennent, and Simon Mollan, eds., *The Impact of the First World War on International Business* (New York: Routledge, 2017), 103–20; David and Eichenberger, “Business and Diplomacy.”

<sup>23</sup> Ridgeway, *Merchants of Peace*, 288, cited in David and Eichenberger, “Business and Diplomacy,” 54.

<sup>24</sup> Dilley, “The Politics of Commerce,” 1

<sup>25</sup> *Ibid.*, 2.

Congress.<sup>26</sup> The proposal was approved in principle by the Association of Chambers of Commerce in 1910, and a detailed scheme was formally approved in 1911.<sup>27</sup>

Writing in 1911, a correspondent of *The Times* (London), underscoring “the great question of Imperial unity,” lauded the prospect of an Imperial chamber of commerce which would achieve “consultation, cooperation and coordination” of efforts among the chambers.<sup>28</sup> The newspaper articulated the move to establish an Imperial Advisory Council and “the more recent aspiration for the establishment of a British Imperial Council of Commerce.” It opined that while policies rested with the political authorities, “action may be moulded and influenced by the views and representatives of commercial bodies, acting independently and conjointly in the initiation of proposals which appeal to practical men.” The newspaper suggested a list of matters to be placed before the impending Imperial Conference in London that would require the attention of the body. These included postal and telegraphic communications, uniformity of legislation on shipping, income tax, and navigation, commercial relations, emigration, and labour exchanges, with particular reference to the Dominions.

*The Times* noted that though there were about five hundred chambers of commerce across the Empire,<sup>29</sup> “there was no real link between them except for the triennial Congress of the Chambers of Commerce held in London.” Yet, as “interesting” as the proceedings of the Congresses were, they failed to satisfy “the aspirations of a practical age,” and it was “only by the sustained efforts of isolated units or the instructed action of Governments that any of the resolutions, unanimous or not, attain materialization.”<sup>30</sup> Lord Desborough, president of the BICC, explained later in 1918 that the BICC was formed to maintain continuity in the internal affairs of the CCCE during the interval between Congresses.<sup>31</sup>

The proposed body, known as the British Imperial Council of Commerce, was intended to be the pan-British Empire business lobby. It had the following objects: increasing the interimperial trade interests of the Empire through continuous exchanges among various parts of the Empire on matters of common interest; collecting and sharing commercial intelligence among member chambers, the Imperial government, and its overseas dependencies for the development of the resources of the various Dominions; focusing and distributing reliable information to meet individual territories’ needs; acting as an Imperial clearing house for commercial information and suggestions; and organising a triennial congress and giving effect to the resolutions of the Congresses of Chambers of Commerce of the Empire.<sup>32</sup>

A general meeting of the Council on 27 November 1913 added the following objects to the mandate of the BICC: initiating action on subjects of Imperial commerce within the mandate of the Council tabled by individual British chambers of commerce, boards of trade, or associations; and promoting closer union of the Empire.<sup>33</sup>

<sup>26</sup> *The Times*, 25 May 1911, 4.

<sup>27</sup> The full report of the Executive Council of the Association of Chambers of Commerce of the United Kingdom and a delegation from the Congress Organising Committee of the Chambers of Commerce of the Empire is published in *Otago Daily Times*, 1 June 1911, 3.

<sup>28</sup> *The Times*, 25 May 1911, 4.

<sup>29</sup> Bennett, *Local Business Voice* is the only work that captures the range of these chambers of commerce.

<sup>30</sup> *The Times*, 25 May 1911, 3.

<sup>31</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fourth Annual Meeting, 5 June 1918, 8.

<sup>32</sup> *The Times*, 25 May 1911, 5.

<sup>33</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: First Annual Report, Presented to the Annual Meeting, 1915, 32: Appendix VI: Rules.

The body envisaged that its intervention would “ultimately lead to improved organization and correspondingly tangible results within the near future, supplementing and never superseding the official and considered action of the Home and Colonial Governments.”<sup>34</sup> It is clear from this statement that the founders of the BICC did not intend it to be a rival or countervailing power to the Imperial or colonial governments. Indeed, it admitted its subordination to the greater Imperial interest.

The inaugural meeting of the BICC took place in London on 5 July 1911. Attendance was boosted by the ongoing coronation festivities, which drew an Empire-wide gathering. Delegates were invited from various chambers in the United Kingdom and the Empire, and British chambers in foreign capitals including Paris, Brussels, and Constantinople.<sup>35</sup> The meeting adopted a resolution by Sir Albert Spicer, Bart., M.P., which formally approved the formation of the BICC on the lines of a report adopted by the Association of Chambers of Commerce of the United Kingdom in March 1911. Spicer explained that the resolution was “another step forward in the movement” which led to the formation of the chamber’s Congress Organising Committee.<sup>36</sup>

The BICC thenceforth superseded the Congress Organising Committee, with an enlarged representation and wider powers. Billed as “purely commercial and perfectly independent of Government action and control,” the BICC would not “supersede or clash with the work of the Home and Dominion Governments.” It would, instead, “far more likely . . . increase their work, and make it of greater value through systemetic (*sic*) coordination and co-operation.” The motion was seconded by E. Norton Grimwade, vice-president of the Melbourne Chamber of Commerce, followed by supportive statements by various delegates. However, the issue of representation generated debate as some objected to the resolution of the 1910 Congress that made the volume of overseas trade the basis of representation. That was seen as disadvantageous to inland states in favour of smaller coastal states that had shipping ports. The latter would thus be represented disproportionately. Such misgivings were allayed by deferring the decision to the plenary body of the BICC. A Canadian lauded the BICC initiative as it would enable each part of the Empire to appreciate the commercial and political needs of the other parts. The “cooperation and consolidation” afforded by the BICC would ensure that the Empire was not merely “loosely joined together.” It would strengthen interimperial relations beyond “those of merely (*sic*) buyer and seller.” The motion to formally establish the BICC was carried unanimously.<sup>37</sup>

However, though inaugurated on 5 July 1911, the BICC was only “finally and definitely constituted” on 27 November 1913.<sup>38</sup> Among its elected officers, the following continued to play prominent roles in subsequent years: president of the Eighth Congress of BICC: Rt. Hon. Lord Desborough, K.V.C.O.; chairman: Stanley Machin (vice-president of the London Chamber of Commerce); vice-chairman: Sir Alger F. Firth, Bart., J.P. (president, Association of Chambers of Commerce of the United Kingdom); and secretary: the Hon. J.G. Jenkins (ex-premier and ex-agent general in London for South Australia). Also elected were forty-two others, including vice-presidents, past and current viceroys, former presidents, high commissioners of Dominions in London, the current secretary of state for India, the president of the Board of Trade, past presidents and chairmen of the BICC and the Association of Chambers of Commerce of the U.K., and other distinguished persons.

<sup>34</sup> *The Times*, 25 May 1911.

<sup>35</sup> A full list of the chambers is in GLL, MS 18,282/1, British Imperial Council of Commerce: Report of Proceedings at the Inaugural Meeting held at Salter’s Hall, London, 5 July 1911.

<sup>36</sup> *Ibid.*

<sup>37</sup> *Ibid.*, 11.

<sup>38</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Report of the Proceedings at a meeting of the Council and the subsequent Banquet held on 27 November 1913, 3.

The formal institution of the BICC was rounded off with a banquet on 27 November 1913.<sup>39</sup> Proposing a toast to “the British Imperial Council of Commerce,” George Cave, K.C., M.P., urged the Council to prevail on the Imperial government “to improve the postal, and especially at the present moment, the telegraphic facilities throughout the Empire . . . and the cheapening and extending of telegraphic facilities throughout the Empire.”<sup>40</sup> Cave called for government financial and other forms of support to the British Consular Service to be more serviceable to British overseas trade, and supported the call for an Imperial Court of Appeal. The chairman, Stanley Machin, called for the harmonisation of Imperial marine laws. He lamented what he termed Britain’s steady decline as other nations had made “enormous progress” at its expense: “our supremacy in . . . various directions had been threatened, and in some cases surpassed.” He, therefore, recommended that “the burden which had been borne by England alone in times past must be shared, both as regards defence and commerce, by the Empire as a whole.”<sup>41</sup> Supporting speeches were made by dignitaries, including the president of the Board of Trade and Sir Albert Spicer.

Between its founding and the outbreak of the First World War, the BICC maintained a regular presence at global fora of business lobbies. By 1915, its membership had risen to 148, with 99 adhering chambers and boards. The rising membership appeared to justify its existence, “ample proof . . . of the need for an association uniting permanently the Imperial Chambers of Commerce and Boards of Trade.”<sup>42</sup> In 1918, the BICC admitted Bombay, East London (South Africa), and the British Chamber of Commerce of Egypt. The total number of affiliated chambers and boards of trade stood at 117.<sup>43</sup>

### “Unity in Commerce and Defence:” The BICC and the First World War

The first major challenge faced by the BICC was the outbreak of the First World War. In September 1914, its president, Lord Desborough, urged all members to direct their attention to trade lines affected by the war, especially British Empire trade with the “enemy countries.”<sup>44</sup> In line with its motto of “Unity in Commerce and Unity in Defence,” the BICC urged members to discharge the patriotic duty of seizing “the opportunity to repel [foreign commercial] . . . attacks and to hold and consolidate our own.” Bringing the conflict to an early and successful end required much more than “the sinking of ships and the slaying of men.” Navies could not be kept afloat or armies in the field without the sustenance of trade and wealth.

Lord Desborough’s call for a collective response to wartime exigencies was jointly endorsed by the chairman and secretary of the BICC. They alluded to “a general recognition of the need for rendering the Empire self-supporting to the greatest possible extent” and solicited suggestions from members towards that end.<sup>45</sup> As detailed below, chambers of commerce across the Empire proposed countermeasures to German competition, such

<sup>39</sup> *Ibid.*, 15–26.

<sup>40</sup> *Ibid.*, 15.

<sup>41</sup> *Ibid.*, 18–19.

<sup>42</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: First Annual Report, Presented to the Annual Meeting, 1915, 11–12.

<sup>43</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Fifth Annual Report, 1918, 7.

<sup>44</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: First Annual Report, Presented to the Annual Meeting, 1915, enc. 1: Letter from Lord Desborough to All Chambers, 25 September 1914. All quotes in this paragraph are from this source.

<sup>45</sup> *Ibid.*, enc. 2: Stanley Machin (Chairman) and Charles E. Musgrave (Secretary) to Lord Desborough, 25 September 1914.

as preferential tariffs, to facilitate British capture of markets previously dominated by the Germans.<sup>46</sup>

The Bloemfontein chamber in South Africa recommended that the Dominions should impose a preferential customs tariff on German imports. It acknowledged that public sentiment after the war might favour German recapture of the trade because people would naturally buy in the cheapest market. Besides, Britain could not compete with Germany in certain products, and “the only way therefore to safeguard British interests is to make the public pay as much for the German article as they do for the British. This can only be done by placing a high duty on all such goods.”<sup>47</sup> However, it was feared that a reported move by the Australian federal government to grant a 10 percent preference to British Empire goods would hurt the Empire’s enemies and friends as well.

The Maltese chamber recalled that the Germans had captured “a large amount of the world’s trade chiefly by supplying many goods at low prices.”<sup>48</sup> Though British products were “as a rule, of superior quality,” they were priced beyond the reach of “a large section of the population in all countries.” Unless the British could match the prices of the Germans, such cheap articles would continue to be manufactured in Germany. The Aden chamber likewise reported that British products could not win a greater share of Aden trade because “up to the present” they failed to introduce a “sufficiently cheap” article on the market. Indigenous customers only required “a cheap article with as good a quality and finish as can be attained at the price.”

The Maltese also highlighted another dimension: the superiority of German business practices. The Germans gave customers “more convenient” credit facilities and adapted to the needs of the market and the local conditions, particularly the requirements of purchasers and the custom of the country. The British in contrast insisted “on imposing their conditions on the purchasers, regardless of hostile competition.”<sup>49</sup> German and Austrian firms took greater pains to promote their goods by frequently sending commercial travelers to the island. They also accepted initial orders of a small magnitude, aiming to either introduce a new article or expand their market share in the product. A Canadian chamber noted that the United States had a critical edge over Britain in the “splendid trade agencies” that they had in their consular agents all over the country. The branch office of the British trade commissioner at Montreal and his correspondents were no match for “the highly trained Consular Officials” of the U.S. stationed throughout Canada.

An Australian chamber blamed British manufacturers for the loss of trade to the Germans because of “the conservatism of their methods.” They “flatly refused” to concede “trifling alterations in design” to suit customers’ tastes.<sup>50</sup> A New Zealand chamber also lamented that the British manufacturer was “too independent and conservative” to adapt to making articles for a niche market on the grounds that he would have to alter his machinery to do so. “Send the same article to Germany or America,” the chamber noted, “and it is made forthwith and no trouble.” A U.K. chamber declared that one of the greatest obstacles faced was “the habit of British manufacturers sticking to one style of product, and declining to vary it to suit different parts of the World.”

<sup>46</sup> *Ibid.*, 22–29, enc. 3: Extracts from replies received from the chambers. The concurrent admiration for high-quality German products and British wartime anti-German sentiments has been noted in the West African context by A. Olorunfemi, “German Trade with British West African Colonies, 1895–1918,” *Journal of African Studies* 8:3 (1981), 111–20.

<sup>47</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: First Annual Report, Presented to the Annual Meeting, 1915, enc. 3: Extracts from replies received from the Chambers.

<sup>48</sup> *Ibid.* The quotes and the discussion in this paragraph are derived from this source.

<sup>49</sup> *Ibid.* The quotes and the discussion in this paragraph are from the same source.

<sup>50</sup> *Ibid.* The quotes and discussion in this paragraph are based on this source.



Conversely, “enemy countries,” by “showing greater adaptability” had captured the trade that should have been in British hands.

The Punjab chamber in India asserted that supplanting the “enemy countries” presented “many difficulties” and depended greatly on “individual enterprise and the cost of production.”<sup>51</sup> It praised the “careful manner” in which German and Austrian manufacturers studied the requirements of the market. In the same vein, the Bombay chamber remarked that local consumers preferred German goods because of the colour and quality of their products, while their sheets were softer and easier to mould. The Bombay mill industry relied “almost entirely” on Germany for supplies of dyes and chemicals and there was “very little” difference in price. All that the British needed to do was to improve the quality and colour of their goods, or alter them to meet the requirements of the market. The articles could then be produced in Britain or India itself. The situation was replicated at Kanpur, where most chemicals, such as magnesium chloride and sulphate, potassium bichromate, oxide of cobalt and saltpetre for the cotton mills, khaki dyeing, and bangle making, were German products. Like the Bombay chamber, it called for local production or import substitution manufacturing. The efficacy of German trademark or branding was underscored by the Burma chamber, which had urged the local colonial government to amend the Merchandise Marks Act “to abrogate the pernicious system of advertising foreign goods at the expense of the British manufacturer.” Specifically, the chamber wanted to abolish the imprint “Made in Germany.”

In general, the foregoing analysis by the chambers of the Empire acknowledged reasons for superior competition by German, Austrian, and American firms, and proposed policy options for ensuring British ascendancy in Empire trade. The Simcoe, Ontario, chamber proposed that the BICC should constitute “a strong commission of hard-headed business men from different parts of the Empire . . . [to] thoroughly investigate the matter from every standpoint,” and subsequently act on its recommendations. The Halifax chamber recommended that the colonies and dependencies which had “so loyally helped Great Britain in her hour of need” should be accorded priority in the purchase of their products and “thus hasten their development.” It also urged that continuous effort be made to retain in the postwar period the trade captured from the enemy.

The annual meeting of the BICC in 1915 noted that the war’s “most disastrous effect upon commerce throughout the world” had also provided an opportunity for the Council to achieve “one of its prime objects . . . , the promotion of the closer union of the British Empire.” It might be argued, though, that it was the war, rather than the activities of the BICC as such, that forced the metropolis and the Empire (Dominions and Dependencies) to stick together. Members of the BICC duly gathered and shared information on German and Austrian trade with the Empire, with a common focus on one goal: “Unity in Commerce and Defence.”<sup>52</sup> Economic jingoism thus dominated BICC meetings during the war. As articulated in 1915 by its president, Lord Desborough: “in commerce as well as in war Germany has for some years been striving after a ruthless domination.” While the British army was facing off the Germans at Flanders, the BICC had the responsibility to “strike and strive for freedom in commerce, and to rescue commerce as well as the liberties of Europe from a ruthless domination.”<sup>53</sup> It is worth noting, however, that the pursuit of unity among BICC members did not preclude the protection of peculiar national interests, such as Canada’s in relation to the United States, a non-member of the Empire.

<sup>51</sup> *Ibid.*

<sup>52</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: First Annual Report, 11.

<sup>53</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Report of Proceedings, First Annual Meeting, 2 June 1915, 4.

The anti-German rhetoric was taken up by Sir Alexander McRobert, who ironically lauded German diligence and attention to detail while deploring their “underhand and ruthless methods: The German trader is just as unscrupulous as the German soldier and as ruthless in his methods.” The German, he argued, has “none of the British instinct for honour and fairness, but he shows in a marked degree that capacity for taking pains which has been described as genius. He has been taught and trained to be thorough and accurate in all he undertakes and it is by the practice of those virtues that he has commanded and deserved his past success in commerce and industry.” Acknowledging that the Germans had worked hard for their success, he opined that the only way for the British to supplant them was “to work in the German way, but of course without its deviousness.” McRobert blamed his countrymen for their “complacency,” undue rigidity, refusal to adapt to the special requirements of buyers abroad, poor advertisement of their products, and indifference to certain lines of trade, while the Germans had a field day. He noted how the Germans had invested a million pounds on indigo until they commercialised it successfully.<sup>54</sup>

Stanley Machin urged the Council to “induce the [British] Government . . . to take a more sympathetic interest in commerce.” The U.K. government only had to ensure that Germans would not “continue to be allowed, with sweated labour, special conditions, and privileged railway rates, to send . . . goods into the allied and friendly markets to swamp and destroy the labour of our own people.” Conceding that the British had “a good deal” to learn from the Germans, he argued that they “must never learn to adopt the wretched underhand methods . . . [that gave] the Germans a very big footing in every part of the world.”<sup>55</sup>

A member lamented that while the BICC was expanding, such notable chambers as the Manchester and Oldham chambers had not yet identified with “the movement.” He therefore suggested that the motto of the BICC should be made more encompassing to read: “Unity in Commerce, Consultation and Defence.”<sup>56</sup> However, by June 1917, several chambers, notably, Manchester, Liverpool, Perth, Gibraltar, and Malta, had joined the BICC.<sup>57</sup> A year later, membership rose to 150, “representing some tens of thousands of business men.” Important personalities occupying high political offices in the Empire were brought into the leadership of the BICC. The governor-general of Canada, the Duke of Devonshire, was appointed honorary vice-president while a member, Alderman Charles Hanson, had been elected Lord Mayor of London.<sup>58</sup>

Taken together, the wartime refrain was the ouster of German and Austrian firms during and after the war in the interest of Empire capital. The loudest clamour was for the imposition of protectionist tariffs and other measures to keep foreign competition out of Empire markets. Accordingly, the Council’s business conference in London from 6 to 8 June 1916 was dominated by fiscal matters. These were the adoption of preferential tariffs within the Empire, preferential trade relations between the Empire and allied nations, countermeasures within the Empire against enemy countries’ manufactured goods and shipping, and prevention of dumping of enemy goods within the Empire.<sup>59</sup> The major obstacle to protectionism was the prevailing anti-protectionist mood in the country. Machin

<sup>54</sup> *Ibid.*, 14–15.

<sup>55</sup> *Ibid.*, 17.

<sup>56</sup> *Ibid.*, 12.

<sup>57</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Report of Proceedings of the Third Annual Meeting, 6 June 1917, 9.

<sup>58</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fourth Annual Meeting, 5 June 1918, 4.

<sup>59</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Report of Proceedings at the Business Conference held at Skinners’ Hall, London, 6,7 & 8 June 1916.

alluded to “the adherence of most Britons to Cobdenism or Free Trade and so [they] would not have entertained protectionism in any form, as championed by Joseph Chamberlain (known as Tariff Reform).”<sup>60</sup> He quoted with approbation Bonar Law’s speech a few months before when he quoted a German economist of the prewar era:

Where would be the German sugar industry, this first leader of our rising trade; where the German textile and iron industries; where, indeed, the newly created German capital, without the rich English market always ready to receive our goods? On the back of Free Trade England we have dared to grasp at the mastery of the world.<sup>61</sup>

### **BICC Congress Resolutions, 1916**

A key feature of the 1916 business congress of the BICC was the number of resolutions passed on fiscal relations, customs union, naturalisation of aliens, trade licensing, control of alien business, double income tax, and shipping. This was not peculiar to it as similar bodies, such as the ICC, “voted resolutions reflecting the opinion of the ‘Businessmen of the World.’”<sup>62</sup> The resolutions reflected the greatest concerns of the business community in Britain and its overseas territories. They were targeted at enemy countries and their citizens, with the singular aim of shutting them out of postwar trade or limiting their participation to the barest minimum.<sup>63</sup>

The Council endorsed the resolution passed at the special meeting of the Association of Chambers of Commerce of the United Kingdom on 29 February and 1 March 1916.<sup>64</sup> The resolution called for preferential reciprocal trading relations among all parts of the Empire, and between the Empire and allied countries; favourable treatment of neutral countries; and restriction by tariff and other measures to make “dumping or a return to pre-War conditions (by enemy countries) impossible.” Copies of the resolution were forwarded to all governments within the Empire for consideration and necessary action.<sup>65</sup> Strictures against dumping featured as late as 1918, when the executive council of the BICC passed the following resolution:

In order to prevent dumping, import duties should be imposed, based upon the home consumption values of the goods in the countries of origin, substantiated both as to the value and origin by Consular invoices or certificates of origin, any difference in the invoice value and the home consumption value being chargeable as a surtax.<sup>66</sup>

This pressure group activity elicited an appropriate response as the Home Office subsequently gave notice of a bill “to prohibit the sale of imported manufactures at a lower figure than that at which they are sold in the country of production.”<sup>67</sup>

<sup>60</sup> *Ibid.*, 14. When the Secretary of State, Lord Passfield, addressed a banquet of the BICC’s successor, the Federation of Chambers of Commerce of the British Empire, in 1930, a newspaper reported that he “courageously represented the Government—courageously—because any Freetrader must have felt very lonely in such a gathering.” See “Chamber of Commerce Delegates,” *Otago Daily News*, 11 July 1930, 10.

<sup>61</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Report of Proceedings at the Business Conference, June 1916, 14–15.

<sup>62</sup> David and Eichenberger, “Business and Diplomacy,” 53.

<sup>63</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Third Annual Report, 1916, 11–19.

<sup>64</sup> The body is studied in Ilersic and Liddle, *Parliament of Commerce*.

<sup>65</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Third Annual Report, 1916, 11.

<sup>66</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Fifth Annual Report, 1918, 10.

<sup>67</sup> *Ibid.*

A second resolution dealt with customs arrangements between Great Britain and the overseas Dominions and dependencies. The Council affirmed its “belief in the advisability and practicability of a Customs arrangement . . . on the basis of a preferential treatment of each other and between each and all of them,” and recommended that “immediate steps should be taken to bring about a mutual arrangement on this basis.”<sup>68</sup>

The third resolution on the naturalisation of aliens endorsed the position of the U.K. chambers, which stipulated stiff conditions for granting British citizenship to “aliens,” that is, non-British citizens, from neutral and enemy countries. First, such persons should have had twenty years’ uninterrupted residence in the Empire under police registration and supervision. Aliens from neutral countries could be granted citizenship after five years’ residency. Second, the oath of allegiance to Britain must also be accompanied by an oath of divestment of allegiance to the power of which the applicant was a subject, preceded by a certificate from the government of his native country declaring that he had been released from the obligations and allegiance attendant to his former citizenship.<sup>69</sup> Two additional resolutions were passed by the Council on naturalisation and change of name. The first opposed any law that compelled an alien who had naturalised and changed his name to a British one to revert to the old name. The second demanded that enemy subjects could only trade in the Empire after the war by obtaining a licence and paying an extra rate of taxation.<sup>70</sup>

The fourth resolution on trade licences recommended legislation to erect stiff barriers to enemy subjects’ participation in the trade of the Empire for five years after the war. During that period, they could not engage in business or take up employment or domicile within the Empire without special licence. In addition, every such person should submit to compulsory registration anywhere within the Empire.<sup>71</sup> In a related resolution, the Council urged that the various governments across the Empire should empower themselves by legislation “to insist on any individuals, firms or companies, producing, manufacturing or trading within the Empire, being British controlled, both as regards management and ownership.” In the event of enemy firms or companies being allowed to reopen or commence trading, such should be subject “to such control and inspection as shall make it impossible for them to be used as political agencies under the guise of industrial establishments.”<sup>72</sup>

A major resolution in respect of shipping, the major artery of trade, urged the Imperial government to remove “present disabilities of British shipping in competition with enemy shipping.” The executive committee of the BICC subsequently constituted a subcommittee to consider the subject and make appropriate recommendations. Resolutions were passed in consequence of the subcommittee’s recommendations as follows:<sup>73</sup>

Enemy shipping should not be allowed to extend their share of world shipping and trade until their countries had compensated the Allied countries for the losses to “the enemy’s piratical methods, and that no peace terms should be considered which do not provide for such replacement.” This resolution should be understood as alluding to Allied shipping losses to unrestricted German submarine warfare during the war.

Resolutions were also passed that a lower scale of tonnage dues and port charges should apply in all British ports to British-owned vessels; privileges accorded British shipping by allied and neutral countries should be reciprocated; enemy shipping should pay in

<sup>68</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Third Annual Report, 1916, 12.

<sup>69</sup> *Ibid.*

<sup>70</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fourth Annual Meeting, 5 June 1918, 26.

<sup>71</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Third Annual Report, 1916, 12.

<sup>72</sup> *Ibid.*, 13.

<sup>73</sup> *Ibid.*, 18–19.

British ports at least double the dues paid by other shipping lines; in no case should subsidies be granted to enemy shipping; foreign tonnage in Empire ports to conform to Empire specifications regarding shipping; shipping laws and regulations should favour shipment of goods from one Empire port to another in British-flagged vessels; and no agreements should be entered into by British shipping companies with foreign shipping companies and combinations without Board of Trade or other Ministerial approval. It was also resolved that foreign goods should not be carried on British ships from British ports at lower rates than for similar British goods; any case of preference for foreign goods or unfair treatment should be reported through the BICC to the Board of Trade; and that any British shipping that gave preference in freight rates to foreign goods and firms should be made to pay port and other charges as if they were foreign vessels.

The BICC was also concerned about the unresolved issue of double income tax. It acknowledged that the British Chancellor of the Exchequer had admitted the injustice of double taxation of the same income within the Empire, and had offered some relief in the finance bill before the British Parliament. However, it “strongly” urged the government to grant further relief to “those suffering from these heavy and unjust burdens . . . immediately.”<sup>74</sup> In 1918, an “Association to Protest against the Duplication of Income Tax within the Empire” emerged. It met with the Chancellor of the Exchequer and extracted the promise that “they would not be punished more than in the past.” Consequently, the finance bill included the stipulation that if a person paid 2 shillings 6 pence in the colonies, an equivalent sum would be deducted from his tax in Britain. The matter was tabled for discussion at the Imperial War Conference, where the BICC simply reaffirmed and forwarded its extant resolution on the subject.<sup>75</sup>

The BICC also passed other resolutions to foster intrainperial economic relations. First, that commercial law be “codified and assimilated as much as possible throughout the Empire, and that every branch of Commercial Law should be separately dealt with.” Second, that a uniform decimal system of weights, measures, and currency be adopted throughout the Empire to facilitate trade with foreign countries. Finally, that various governments fund scientific research and training in relation to commercial and industrial development throughout the Empire.<sup>76</sup>

As the First World War ended in 1918, the BICC faced a crisis of identity and relevance. Its president, Lord Desborough, admitted that the campaign against the double income tax was ineffectual in spite of consistent and vocal opposition. However, individual members’ initiatives often proved more successful than resolutions, as illustrated by Lord Southwark, who introduced a decimal coinage bill in the House of Lords. The move resulted in the British government pledging to institute an official committee of enquiry into the matter. Desborough noted that the creation of the Department of Overseas Trade under Arthur Steel-Maitland was further proof that the Council’s lobbying was not in vain. He added that “the Department should be most useful to the Council as also the Council to the Department.”<sup>77</sup> Incidentally, a member called attention to a recently formed Imperial Association of Commerce, objecting to its title on the grounds that “both the title and objects of the new body appeared to clash with those of the Council.” A member, Sir Charles McLeod, expressed optimism that the new organisation would work in conjunction with the BICC.<sup>78</sup>

<sup>74</sup> *Ibid.*, 14.

<sup>75</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fourth Annual Meeting, 5 June 1918, 27.

<sup>76</sup> GLL, MS 18,282/1, The British Imperial Council of Commerce: Third Annual Report, 1916, 15.

<sup>77</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fourth Annual Meeting, 5 June 1918, 4.

<sup>78</sup> *Ibid.*, 6.

In the end, Lord Desborough submitted that the BICC had justified its existence: “many questions originally started by the Chambers of Commerce eventually found a place on the Statute Book.” He restated BICC’s readiness to assist the legislatures in both the United Kingdom and the Dominions in a rewarding synergy.<sup>79</sup> Sir George Perley, High Commissioner of the Dominion of Canada, likewise saw the BICC as “one of the efforts to have an Empire body. . . . The principle was the same as that of the Imperial Conference. The Council could not legislate but could discuss ideas in the hope that each constituent part would put those ideas into force and enable trade to go on as smoothly as possible.”<sup>80</sup>

That said, the wartime exertions of the BICC were essentially self-serving. Its proceedings and resolutions ventilated fears of German competition and articulated policies that protected its business interests in the guise of promoting the commerce and defence of the Empire. This trend persisted after the war.

### The BICC in the Postwar Decade, 1918–25

The First World War had disrupted the global political economy, including the activities of the BICC. Its ninth congress could not be held because of wartime disruptions. A special one-day conference was held instead.<sup>81</sup> Nonetheless, the body engaged in self-congratulation on the impact of its activities. Its president, Lord Desborough, declared that “a great many” of its resolutions “had been carried out at the Peace Conference and by the (British) Government” with specific reference to preference and “the vexed question of fiscal relations and dumping.” In addition, its recommendations regarding the “important question . . . of enemy shipping . . . had coincided largely with the Paris decisions.”<sup>82</sup>

In the same vein, Stanley Machin alluded to the discussions and resolutions of the Council, and its approaches to the government. “It was a source of great gratification,” he stated, “to . . . see that one of the main planks in their platform, Imperial Preference, had become a *fait accompli*.”<sup>83</sup>

The BICC pursued its aims in the postwar period, often in collaboration with other business lobbies. Earlier in 1918, a joint committee of leading business pressure groups was constituted to interface with the Imperial government. It comprised nominees of the Association of Chambers of Commerce of the United Kingdom, the British Empire Producers Organisation, the BICC, and the Federation of British Industries. The BICC was represented by Lord Desborough (its president), Stanley Machin (chairman), Sir Algernon Firth (vice-chairman), Hon. J. G. Jenkins (treasurer), Gilbert Anderson, and Charles King.<sup>84</sup> The work of the committee, described as “a kind of super-Cabinet,” was lauded in a report of 1919. By collaborating “with other leading bodies,” it said, the BICC could “bring concerted action to bear upon any action of national importance, and could not fail to receive the recognition from the Government that they deserved.”<sup>85</sup>

As wartime disruptions to trade and communications across the Empire lingered after the war, the BICC passed a resolution in 1919 demanding removal of cable delays and

<sup>79</sup> *Ibid.*, 8.

<sup>80</sup> *Ibid.*

<sup>81</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Fifth Annual Report, 1918, 6.

<sup>82</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fifth Annual Meeting, 4 June 1919, 4.

<sup>83</sup> *Ibid.*, 6.

<sup>84</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Fifth Annual Report, 1918, 2.

<sup>85</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings of the Fifth Annual Meeting, 4 June 1919, 6–7.

export restrictions “at the earliest possible date.” It claimed that delays and restrictions in trade and communications with the Near and Far East had caused “immense losses” and “great hinderance of the British export trade.”<sup>86</sup> The resolution was communicated to the Secretary of State for War, president of the Board of Trade, comptroller general, Department of Overseas Trade, and the postmaster general. The cable companies attributed the delays to the great increase—far above 1913 levels—in the number of cable messages handed in for despatch. Besides, certain lines, such as the Indo-European, were disrupted by the war and had not yet been restored. Wartime conditions had prevented proper maintenance of cables and manufacturers could not cope with the enormous immediate postwar demands.

A major postwar development was the election of new officers for the BICC in 1921. Lord Desborough was succeeded as president by the Earl of Derby, who was elected by acclamation.<sup>87</sup> In his farewell remarks, Lord Desborough justified the Council’s recourse to resolutions. “As to the real use of the resolutions,” the Council was concerned with “formation of public opinion on trade matters.” He explained that when a government department saw that there was “a strong volume of united commercial opinion behind any demand, they were more willing to pay the requisite attention than would be the case if they were approached by private individuals.”<sup>88</sup> In a contrasting remark, BICC chairman Machin, noted that “it was not merely the resolutions passed that emphasized the importance and use of the Congress; it was the personal contact, the meeting with one another for friendly discussions; and the friendly relations which had been created were lasting.”<sup>89</sup>

The potency of BICC pressure was tested on the importation of Canadian cattle. As far back as 1903, the fifth CCCE had passed a resolution condemning the “unjust and undesirable” restrictions on the importation of Canadian cattle into Britain. This became a recurring issue at successive congresses and in spite of the Council’s persistence and the outcome of a Royal Commission in 1921, the British government retained the embargo. Undeterred, the BICC caused a resolution to be placed on the Order Paper of the House of Commons and subject to a free vote by M.P.s unencumbered by party whips. Eventually, the Importation of Animals Act, which provided for importation under conditions mutually agreed by both countries, was passed. Consequently, in November 1922, the British and Canadian governments agreed in line with the provisions of the Act on conditions for importing cattle from Canada. The BICC’s recourse to unrelenting pressure appeared to have worked in the long run. “Thus the views of successive Congresses,” it contended, “have once again been vindicated.”<sup>90</sup> Still, the BICC made no progress on the issue of postage rates. “So far as Great Britain is concerned,” its report stated in 1924, “a sustained and united effort is being made by the commercial community to persuade the Government to bring penny postage into effect in connection with the 1925 Budget.” The demand entailed halving the 1pence postage on postcards.<sup>91</sup>

The year 1925 was significant in the history of the BICC for the nomenclature change to the Federation of Chambers of Commerce of the British Empire (FCCBE). The BICC antedated the First World War and survived the turmoil of the global conflict, which left its imprint on it. The transition from the BICC to the FCCBE marked the transition to another stage in the evolution of the CCCE from its founding in 1886.

<sup>86</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Sixth Annual Report, 1919, 9.

<sup>87</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Report of Proceedings, Seventh Annual Meeting, 8 June 1921, 8–9.

<sup>88</sup> *Ibid.*, 5.

<sup>89</sup> *Ibid.*, 7.

<sup>90</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Ninth Annual Report, 1922, 9–10.

<sup>91</sup> GLL, MS 18,282/2, The British Imperial Council of Commerce: Eleventh Annual Report, 1924, 11.

## Conclusion

The interwar years witnessed the active engagement of federated chambers of commerce in business diplomacy at the global and Imperial levels. The BICC, a pan-British Empire business lobby, emerged at the intersection of a global war, tariff movements, and economic nationalism in the Empire. Like the precursor CCCE, it “aspired to (and believed it could) shape the framework of Imperial (particularly Greater British) political economy.”<sup>92</sup> Its self-imposed mission as an Imperial commercial clearing house synchronised with the clamour for protectionism by Chamberlain’s Tariff Reform League and for Imperial unity by Milner’s Round Table movement. The First World War and its aftermath fostered anti-German protectionism in the Empire, which the BICC exploited to its advantage.

In spite of its Empire-wide focus, the BICC was essentially limited to Britain and the Dominions. Even so, it was dominated by British metropolitan chambers of commerce, one of which had initiated its founding. The “centrality of the British government . . . and the continuing importance of the metropole in economic governance”<sup>93</sup> explains the overwhelming focus of the BICC on the metropolitan government, and efforts to influence its policies and key functionaries. Still, harnessing information from members across the world, the BICC, like the ICC, consistently passed resolutions on issues in which it had a vested interest. The overall impact of the resolutions is variable. But, as indicated above, the BICC took credit for the passage of the Importation of Animals Act and its implementation by the British and Canadian governments in 1922, the creation of a Department of Overseas Trade headed by Steel-Maitland, the tabling of subjects of its resolutions at the postwar peace conference, and the de facto adoption of Imperial Preference as official policy. However, personal contacts by influential members, who had been recruited for strategic reasons, played an equally important role in advancing its cause. Beyond debates and resolutions, and the tenacious efforts of its pioneer president, Lord Desborough, and members of Parliament, BICC drew strength from the coordination of efforts among its members, collaboration with other business lobbies, and its multipronged strategy.

This article has demonstrated the possibilities and limits of Empire-wide business pressure group politics. Though it is difficult to determine the importance of other interest groups in the BICC’s lobbying, it can be concluded that the body achieved relative success through sheer persistence and persuasion, since it had no coercive means to bend the Imperial and Dominion governments to its will. Its experience paralleled that of the League of Nations, admittedly an official body, which, Clavin notes, achieved “the international adoption of unconditional MFN [most-favoured-nation status] as the ideal standard of tariff conventions” but lacked the power to enforce it.<sup>94</sup> Indeed, the BICC was content to remain a junior partner in the alliance with government on issues of Imperial economic policy, which it set out to influence primarily in its interest. Its recourse to economic nationalism based on anti-German sentiments was a potent strategy deployed with great intensity during the First World War and its immediate aftermath.

In all, the First World War and its aftermath greatly transformed the BICC, as it did the League of Nations in the interwar period.<sup>95</sup> First, while it began as a mildly nationalistic body in the prewar era, it soon became jingoistic and xenophobic (anti-German) in its rhetoric and resolutions during the war. Second, it abandoned the prevailing free trade (*laissez faire*) ideology of the times for protectionism. It not only justified it as a wartime

<sup>92</sup> Dilley, “The Politics of Commerce,” 9.

<sup>93</sup> *Ibid.*

<sup>94</sup> Clavin, *Securing the World Economy*, 44.

<sup>95</sup> This is detailed in Clavin, *Securing the World Economy*, chapter 2: “The Multiverse of the League, 1920–1929.”



exigency but also clamoured for its retention after the war. The BICC's aggressive economic nationalism, characterised by xenophobia and protectionism, demonstrated how the body presented itself as a defender of Imperial economic interests while serving its own members' interests.

In the end, the BICC hardly made a dent on the British government's free trade policy. It was the prevailing economic conditions that compelled the government to adopt imperial preference, which the BICC had been clamouring for since 1914. However, it won a few concessions through the collective and individual efforts of its members until it was superseded by the FCCBE following a nomenclature change in 1926. The BICC was at least significant as a pan-Imperial business lobby that remained active between congresses, unlike the precursor CCCE. It was however less influential than the ICC, which acted in various capacities as "an international movement," "world parliament of business," "defender of the multilateral trading system," and "private sector policeman for world trade."<sup>96</sup>

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<sup>96</sup> Kelly, "The Business of Diplomacy," 10.

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