

Spanish Spies in Victoria, 1898*

P. M. SHERRIN

Few Canadians were surprised in April of 1898 when Spain and the United States went to war over Cuba. For months the newspaper-reading public of Canada had followed closely the deterioration of Spanish-American relations, and publishers were ready to rush special correspondents into the field to bring Canadians direct reports daily.¹ Still, the commencement of hostilities left many Canadians uneasy about the implications of the conflict: businessmen bemoaned the all but inevitable disruption of trade, nationalists and imperialists feared that an American victory might renew cries in Congress and elsewhere for Canadian annexation to the republic and the *Montreal Star* lamented that "War interferes with baseball — the schedule may be considerably changed."²

With the outbreak of war Britain issued a proclamation pledging the Empire to neutrality and non-intervention. Advised well in advance of Britain's intentions, the shift to neutrality in Canada was accomplished smoothly and swiftly. Neutrality was, however, to be interpreted with a

* Research for this paper was supported by a Canada Council Research Grant and the University of Victoria.

¹ In 1894 Canadian Pacific Telegraphs acquired the Canadian rights to Associated Press wire copy bringing Canadians the latest American news on a daily basis: W. H. Kesterton, *A History of Journalism in Canada* (Toronto, 1967), pp. 158-61. Kathleen Blake Watkins of the *Toronto Mail and Empire* and J. C. Ewan of the *Toronto Globe* were in the field, as well as Freeman Halstead, writing for the *New York Herald*, who was arrested and convicted by Spanish authorities in Cuba in March 1898 of spying for the United States; Halstead was sentenced to nine years in prison. The end of the war ended his imprisonment: C. H. Brown, *The Correspondents' War: Journalists in the Spanish-American War* (New York, 1967), pp. 112, 118, 138, 210, 224, 248, 434n, 435. (Throughout his book, Brown has Watkins working for the *Toronto Mail and Express* [sic], which did not exist.)

² E.g. P.A.C., *Laurier Papers*, MG 26 G [Laurier Papers], vol. 73, pp. 22647-48, Samuel Coulson, Canada Wire Co. to Wilfrid Laurier, 20 April 1898: "The talk of the threatened War between the United States and Spain is playing the very deuce with business. What promised to be a record year for increased and profitable business is being marred and brought to a standstill"; P.A.C., *Denison Papers*, vol. 8, pp. 3462-69, Charles Mair to George Denison, 3 May 1898: "if poor Spain is beaten in this scrap, as she no doubt will be, the next cry might be for Canada"; *Montreal Star*, 22 April 1898.

view to Britain's pursuit of a closer relationship with the United States.³ Thus, American violations of British neutrality in Canada were to be protested to Washington only "when a favourable opportunity occurs"⁴ while Spanish violations elicited a stronger and more immediate response.

While not directly involved in the war, Canada, nevertheless, figured in the calculations of both belligerents. For Spain, Canada offered a safe haven from which to observe American mobilization and military operations. Knowing this to be the case, the fledgling U.S. Secret Service moved quickly to seek out and expose Spanish agents in the Dominion.⁵ Britain's predisposition to the American cause virtually guaranteed American agents freedom of movement and action in ostensibly neutral territory.

A major Spanish espionage effort was mounted in Montreal shortly after the outbreak of hostilities when the Spanish legation personnel moved there from Washington. While most of the Spanish stayed in Canada only long enough to arrange transportation home, a few were to remain behind to gather information and attempt to infiltrate American forces with spies. In June 1898 the activities of Spanish spies in Montreal were exposed by American Secret Service agents.⁶ The presence of Spanish agents in Montreal generated a sensation in Canada; that of American agents did not.⁷ When, after protracted legal manoeuvring, Lieutenant Ramon de Carranza and Juan du Bosc finally left Canada in July 1898, at the request of the Canadian and British governments, most Canadians tended to assume that the spy scare was over.⁸ In fact, the unmasking of the Montreal operation meant only that one espionage centre had been neutralized,

³ E.g. see: C. S. Campbell, *Anglo-American Understanding, 1898-1903* (Baltimore, 1957); R. G. Neale, *Great Britain and United States Expansion* (Lansing, 1967); N. Penlington, *Canada and Imperialism 1896-1899* (Toronto, 1965), pp. 101-02.

⁴ *Laurier Papers*, vol. 750, p. 214930, Joseph Chamberlain to Lord Aberdeen, 13 April 1898.

⁵ R. Jeffreys-Jones, "The Montreal Spy Ring of 1898 and the Origins of 'Domestic' Surveillance in the United States," *The Canadian Review of American Studies*, V, 2, 1974, p. 119.

⁶ *Ibid.*, pp. 119-34; see also Penlington, *Canada and Imperialism*, pp. 103-06.

⁷ While few Canadians commented on the role of American agents in unmasking the Montreal operation, the *Victoria Daily Colonist* of 12 June 1898 carried a small wire service item entitled "Equal Rights for Spies — If the Spanish Officials Must Leave Canada the United States Emissaries Go Too."

⁸ Details concerning the legal questions raised by the expulsion of Carranza and du Bosc may be found in the *Laurier Papers*, vol. 77, pp. 24089-100; vol. 78, pp. 24176-83, 24199-200; vol. 79, pp. 24438-40, 24496-506; vol. 80, pp. 24674-75, 24694-703, 24743-48, correspondence between Laurier and Henri St-Pierre, lawyer for the Spaniards, and with the Crown law officers. For a summary see Penlington, *Canada and Imperialism*, pp. 104-05.

for other Spanish agents had already made their way to a locale where they might more seriously disrupt the American war effort — Victoria, B.C.

The best accounts of Spanish activities in Victoria and their possible disruptive effect on the American war effort are to be found in the reports of the United States consuls in Vancouver and Victoria, L. Edwin Dudley and Abraham E. Smith respectively, in the records of the U.S. Secret Service and in the general correspondence of Rear-Admiral Henry St. L. Bury Palliser, Commander-in-Chief, Pacific Station. Surveillance and assessment of the Spanish presence in Victoria were carried out almost exclusively by American agents. Little concern over Spanish spies on Canada's west coast arose in Ottawa or London. After Spain's Montreal operation was uncovered, the Canadian government made no further attempt to ascertain whether or not Spanish agents were engaged in any other activities in Canada. Washington's agents alone closely monitored the situation in Victoria. The Victoria newspapers, the *Daily Colonist* and the *Victoria Daily Times*, reported the Spanish presence in the city but neither the Victoria city police nor the provincial attorney-general's office investigated the newspaper accounts. As a consequence, much detail about Spanish activities in Victoria remains unknown.

Victoria was well situated to function as a listening post for Spanish military intelligence. Daily communication by cable and newspaper with Vancouver, Seattle and other west coast cities gave abundant news of the movements of merchant shipping and valuable information about American military preparations, while the presence of the British Pacific Squadron in Esquimalt made it possible to monitor British naval activity in the Pacific. Throughout the war months, Spanish agents in Victoria dispatched a stream of encoded messages over commercial telegraph lines to the Spanish consulate in Montreal.⁹ Although copies of these messages were secured by the enterprising U.S. consul in Victoria, Abraham Smith, whatever intelligence they contained remains a mystery since they defied the best efforts of the War Department and Secret Service cryptographers in Washington to decode them.¹⁰ Besides gathering information the Spanish agents in Victoria performed another important role about which far

⁹ National Archives, Washington, D.C., *Records. U.S. Secret Service [USSS]*, confidential letter from Thomas W. Cridler, Third Assistant Secretary of State to the Secretary of the Treasury, 18 June 1898; National Archives, Washington, D.C., *Despatches. U.S. Consulate at Victoria, B.C. [USC Victoria]*, Abraham E. Smith, Consul, to Thomas W. Cridler, Assistant Secretary of State, 18 June 1898.

¹⁰ *Ibid.*, A. W. Seely, Chief Signal Officer, War Department to Assistant Secretary of War, 16 July 1898.

more is known: the fostering of fears of naval raids on the U.S. west coast and privateer attacks on the Yukon gold shipments.

The only real anxiety felt by the American people during the "splendid little war" was for the safety of their coastal cities. It was widely feared that Spanish ships might elude American naval forces and bombard the unprotected cities of the Atlantic and Pacific coasts. The U.S. Navy, which had extraordinarily accurate intelligence estimates of the capabilities of the Spanish fleet, tended to discount these fears, but Washington was inundated by appeals from mayors and state governors to divert greater forces for coastal defence. On the Atlantic coast popular fears reached the level of hysteria. The Spanish "phantom fleet" was reported to be hovering in a dozen different locations from Halifax to Cape Canaveral,¹¹ and the society editor of an eastern newspaper advised his readers "not to open their summer cottages at Newport until the danger passed."¹²

On the Pacific coast anxiety never reached this level, largely because the Spanish Pacific Squadron was destroyed by Commodore George Dewey in Manila Bay only ten days after the declaration of war. Reports persisted, however, that some Spanish cruisers in the Philippines had evaded the American force and might momentarily descend upon the U.S. west coast. To meet this rumoured threat, the harbours of San Diego and San Francisco were mined, the mouth of the Columbia River was fortified and protected by a cable and appeals were made to strengthen defences along the Strait of Juan de Fuca and Puget Sound.¹³

¹¹ See H. W. Wilson, *The Downfall of Spain: Naval History of the Spanish-American War* (London, 1900), pp. 189, 264-65, 381-83, 389; C. L. Bride, *La guerre Hispano-Américaine de 1898* (Paris, 1899), pp. 141-56; F. E. Chadwick, *The Relations of the United States and Spain: The Spanish-American War*, vol. I, pp. 250-85; M. Halstead, *Full Official History of the War with Spain* (Chicago, 1899), pp. 368-83. In April 1898 the *Victoria Daily Times* carried a wire service item on page 1 headlined "New York Panic Stricken," reporting a despatch from Berlin that New York City was to be bombarded by the Spanish fleet to open hostilities. On 3 May 1898 the *Times* reported fears that Spain would attack the American eastern seaboard in retaliation for the destruction of Manila.

¹² H. W. Morgan, *America's Road to Empire: The War with Spain and Overseas Expansion* (New York, 1965), p. 38.

¹³ P.A.C., *Admiralty Pacific Station Records, General Correspondence, 1892-1898*, RG8, Series III B, vol. 11 [*Admiralty Pacific Station*], Leander, British Consul at Valparaiso to Palliser, 24 April 1898, outlining fears of attacks on U.S. west coast; Leander, British Consul, Portland, Ore., to Palliser, 22 April 1898, submarine cables placed across Columbia River; Wellesley Moore, British Consul General, San Francisco, to Palliser, 10 May 1898, torpedoes laid in harbour; Palliser to Admiralty, 7 August 1898, detailed lack of defences on U.S. west coast at the beginning of the war and the steps taken in San Diego, San Francisco, Portland and Puget Sound to remedy the situation. A shrill editorial in the *Victoria Times* of 27 April 1898 outlined the absence of defences in the Strait of Juan de Fuca and Puget Sound, graphically describing the havoc and destruction the Spanish might wreak.

Clearly, creating widespread anxiety among the civil population and diverting forces from the main American theatre of operations in the Caribbean was in the Spanish interest. However, since it was realized that a warship from the Philippines could not attack the U.S. without refueling, the Pacific "phantom fleet" depended for its credibility on Spanish access to coaling facilities on the west coast of North America. It was the task of the Spanish agents in Victoria to provide this credibility.

Coal had been declared contraband at the outset of the war, and under the neutrality laws British colonial governors were instructed to ensure that neither belligerent should be provided with fuel except an amount sufficient for a ship to reach a home port or "named nearer neutral destination." If there were "reasonable ground" to suspect that the coal provided was to be used to prosecute the war effort of either belligerent, no coal was to be supplied.¹⁴ The Admiralty advised its commanders of these terms of reference, charging the navy with the duty of surveillance while the initiative to act in the event of violations was to remain with local civil authorities.¹⁵ In Ottawa the Laurier government was extremely anxious that Spain might attempt to use Canadian coaling facilities, especially at Halifax, preparatory to an attack on the American Atlantic coast.¹⁶ While Ottawa's attention was riveted on the Atlantic, Edwin Dudley, U.S. consul in Vancouver, warned Washington that

it would be a very easy matter for a British or other foreign vessel, to enter the ports of Union or Nanaimo and in a day clear with from five hundred to one thousand tons of coal, for some foreign port, and transfer it to a Spanish war vessel in any of the many inlets, on the coast of British Columbia.¹⁷

¹⁴ P.A.C., *Laurier Papers*, vol. 750, p. 214947, Chamberlain to Aberdeen, 27 April 1898. Instructions with respect to coal which were to be implemented in the event of war were first cabled to colonial governors by the colonial secretary on 22 April and amplified in the cable of 27 April.

¹⁵ *Admiralty Pacific Station*, Evan Macgregor, Secretary to Rear-Admiral H. St. L. B. Palliser, Commander-in-Chief, Pacific Station, 27 April 1898, paraphrase of instructions with respect to coal sent to colonial governors. On the 27th Palliser instructed all officers commanding vessels in the Pacific Station to report violations, "observing that initiative action rests with the local authorities."

¹⁶ *Laurier Papers*, vol. 750, p. 214941, Aberdeen to Chamberlain, 26 April 1898. A report in the U.S. Secret Service records from John G. Foster, U.S. Consul General at Halifax to J. B. Moore, Assistant Secretary of State, 27 May 1898, refers to both U.S. Secret Service agents and "an agent of the Secret Service of the Dominion of Canada" operating in Nova Scotia, suggesting co-operative efforts to protect British neutrality. Nothing is known about this Canadian secret service agent. The presence of American agents in the Maritimes appears to have escaped Ottawa's attention.

¹⁷ National Archives, Washington, D.C., *Despatches. U.S. Consulate at Vancouver, B.C. [USC Vancouver]*, L. Edwin Dudley, Consul, to William R. Day, Assistant Secretary of State, 22 April 1898.

In his report Dudley underscored his fears about coal from B.C. falling into the hands of Spain by mentioning that "the Naval attaché of the Spanish Legation at Washington visited this country some two years ago, and made a tour of inspection of the sea ports and the coast generally."¹⁸ Presumably Spain knew only too well how easily a warship could acquire coal on Vancouver Island.

The best way for Spain to keep alive the anxieties aroused by rumours that a Pacific "phantom fleet" still existed was to ensure that highly visible Spanish agents were active in Victoria exhibiting interest in coal supplies and shipping movements. On 18 June 1898, U.S. Consul Smith reported to Washington that, for the previous three weeks, a young Spaniard, Señor A. J. Cabrejo, had been in Victoria, "having no visible occupation, yet evidently much interested in the movements of vessels" and possessing "abundant cash."¹⁹ Enclosed in his report was a clipping from the *Victoria Colonist* of 17 June which offered the opinion that Cabrejo's function was to observe and report shipments of coal from Vancouver Island to American ports,²⁰ adding that "he is constantly around the docks."²¹ While Smith tended to discount any threat that Cabrejo might pose, he nevertheless took the precaution of having two men follow Cabrejo around Victoria.²² For his efforts, Smith learned nothing; Cabrejo spent his days in the dock area asking questions, but revealing nothing about himself or his mission. Speculation persisted that he was interested specifically in coal.

The presence of a Spanish agent in Victoria making inquiries about coal would help perpetuate the fiction of the "phantom fleet." But of even

¹⁸ *Ibid.*

¹⁹ *USC Victoria*, Smith to Cridler, 18 June 1898.

²⁰ American coal merchants found no difficulty purchasing coal on Vancouver Island, which had been the major source of supply for American west coast cities, such as San Francisco, prior to the beginning of the war. As Dudley reported to Washington [*USC Vancouver*, 17 June 1898] American coal purchases in B.C. after the outbreak of hostilities "is countenanced by the British and Canadian Governments as not being in violation of the neutrality laws. Of course no coal is shipped directly to our war vessels." Palliser brought the matter to the attention of Lieutenant-Governor Thomas R. McInnes as a possible violation of British neutrality [*Admiralty Pacific Station*, 17 May 1898]; McInnes merely took note of the matter. Palliser's report on the subject to the Admiralty, 24 May 1898, received no reply. In *Victoria U.S. Consul* Smith received an offer from a local business firm to supply a ship and coal to the U.S. Navy [*USC Victoria*, 5 May 1898].

²¹ *Victoria Daily Colonist*, 15 June 1898, p. 3.

²² *USC Victoria*, Smith to Cridler, 18 June 1898; also Smith to Cridler, 8 July 1898. In his despatch of 18 June Smith had noted that "some, who have secured quasi-intimacy with him [Cabrejo], think he is a fraud, or possibly the agent of a rival line of vessels, and is doing what he does, merely to deter shipments on American bottoms." But clearly Smith was leaving nothing to chance.

more value to the Spanish cause was the ability of her agents in British Columbia to sustain fears of privateering. At the outbreak of hostilities Spain had reserved the right to issue letters of marque. Moreover, it was Spanish policy to leave ambiguous the details of when and under what circumstances letters of marque might be issued, thereby retaining an ability to foster fear in American port cities and among commercial groups even after her naval forces had been destroyed or blockaded.²³ Spain succeeded in this objective for a considerable time during the war. The British Admiralty had advised its commanders that any countenancing of privateering even under letters of marque constituted a violation of neutrality, and neutral ports were to be forbidden to belligerent vessels towing prizes.²⁴ However, the British Columbia coast offered too many opportunities to evade British authority. A general recognition that it would be virtually impossible to prevent privateering in British Columbia waters made possible the greatest success enjoyed by Spanish agents in Victoria.

A major American concern on the Pacific was the likelihood that Spain would attempt to use privateers to disrupt merchant shipping, especially the Yukon gold trade. U.S. Consul Dudley, in Vancouver, warned Washington at the outbreak of the war that

the coasting trade between the ports of Puget Sound and Alaska at the present time is a very tempting field for a Spanish privateer on account of the large amounts of gold being brought down on American vessels from the Valley of the Yukon.²⁵

On 30 April 1898, the *Victoria Times* carried an item datelined Vancouver: "that owing to fear of seizure by Spaniards, the St. Michaels treasure ships will come direct to Vancouver and the treasure will be expressed to San Francisco from here."²⁶ Dewey's victory the next day at Manila would do nothing to reduce the threat of Spanish privateers.

Abraham Smith had discovered that in addition to making inquiries about coal and ship movements, the mysterious Señor Cabrejo had been sending encoded messages to the Spanish consul in Montreal. Significantly,

²³ See Neale, *Britain and U.S. Expansion*, pp. 44-48; Chadwick, *Spanish-American War*, I, p. 145; Bride, *Guerre Hispano-Américaine*, pp. 98-111; *Admiralty Pacific Station*, Macgregor to Palliser, 24 May 1898, copies of *Gazette* of 6 May with correspondence between Count de Rascon and Marquess of Salisbury outlining the rules of conduct Spain intended to follow during the war.

²⁴ *Admiralty*, Pacific Station, Macgregor to Palliser, 22 April 1898.

²⁵ *USC Vancouver*, Dudley to Day, 22 April 1898.

²⁶ *Victoria Daily Times*, 30 April 1898, p. 2.

the only telegram Cabrejo had sent *en clair* read: "one hundred millions in gold on the way from St. Michaels to the United States in American vessels. Issue letters of marque. [signed] R. C. Browne."²⁷ Once the suggestion had been planted, Cabrejo carefully nurtured it, allowing newspaper speculation about his mission in Victoria to grow and rumours about privateering to spread.

In early July, Cabrejo and other Spanish agents precipitated a full-scale privateering scare. On 5 July 1898, U.S. Consul Dudley in Vancouver telegraphed Washington that word had been received that a Spanish privateer was lying in the Gulf of Georgia and that the Spanish consul in Vancouver was attempting to purchase or charter steamers.²⁸ In Victoria that day an American, variously described as "a confidential correspondent" and "a patriotic American, a confidential friend of the consul," intercepted a cypher telegram from the Spanish consul-general in Montreal to the Spanish consul in Vancouver.²⁹ Over the next few days additional encoded telegrams were introduced in Victoria and forwarded to Washington by Smith and "a patriotic employee of the Western Union Telegraph Company."³⁰ Dudley also reported from Vancouver that "a gentleman connected with the Telegraph Office here" had informed the U.S. vice-consul in Vancouver that "a person in Victoria was in touch with the Spanish Government and that messages were constantly passing between them."³¹ Neither Smith, Dudley nor the Signal Office of the

²⁷ *USC Victoria*, Smith to Cridler, 18 June 1898. Crown law officers had ruled that both belligerents, especially diplomatic personnel, were entitled to use commercial cables, providing they were not used for war purposes, without obligation to transmit messages *en clair*: see *Admiralty Pacific Station*, H. J. Vansittart Neale to Paliser, 17 May 1898.

²⁸ *USC Vancouver*, Dudley to J. B. Moore, Assistant Secretary of State, 5 July 1898; 7 July 1898. Notations made on Dudley's telegram of the 5th indicate that the information was communicated by note to the British Ambassador in Washington and by telegram to John Hay, the American Ambassador to St. James, on 6 July 1898.

²⁹ *USSS*, Seely to Assistant Secretary of War, 16 July 1898; *USC Victoria*, Smith to Cridler, 8 July 1898.

³⁰ *USC Victoria*, Smith to Cridler, 14 July 1898; *USSS*, Seely to Assistant Secretary of War, 16 July 1898. Nothing is known about precisely how and by whom Spanish cables were intercepted. There is, however, a suggestion of how U.S. agents operated. A letter from a Charles E. Buell of Plainfield, N.J. to John E. Wilkie, chief of the U.S. Secret Service [*USSS*, 17 May 1898] outlined a plan for using "old time telegraph men" during their vacations at resending centres "to intercept Canadian cablegrams." Buell believed that the camaraderie of telegraph men would make the operation easy and secure. The records do not indicate whether Wilkie acted on this advice; the pattern of reporting intercepted cables indicates that he well might have implemented Buell's plan at least in part.

³¹ *USC Vancouver*, Dudley to Moore, 8 July 1898.

War Department were able to decode the messages, although the latter suspected they might relate "to affairs in Manila rather than in Cuba or Porto Rico."³² Whatever the contents had been, the flurry of telegrams served the Spanish purpose of focusing attention on the rumour of a Spanish privateer lurking in the Gulf of Georgia.

Dudley's initial reports on the privateer contained little detail on the vessel or its movements; he had relayed his information "to the Admiral of the British fleet, now in this harbor."³³ Smith's report from Victoria of 8 July recounted in detail a report from a Canadian shipowner, W. H. M. McGowan, that a pilot in his employ had been offered \$8,000 by the Spanish consul in Vancouver to pilot a vessel carrying the Spanish flag and five guns that was lying in wait somewhere between Queen Charlotte Sound and Dixon Entrance. An attempt was to be made to recruit other Canadian seamen. The privateer's mission, so the Canadian pilot claimed, was to loot American cargoes and destroy American vessels, but shed no blood.³⁴

The day after Smith wrote his report a lengthy and detailed account of the tale appeared in the *Victoria Colonist*.³⁵ The newspaper account repeated almost verbatim Smith and Dudley's dispatches while adding a few new details. The *Colonist* alleged that the privateer's target was in fact the St. Michaels gold ships, long rumoured to be a Spanish objective. This account revealed that the consular reports had been made public by the U.S. Department of the Navy. As if to underline the seriousness Washington attached to this report, George W. Hazen, a senior Secret Service agent, arrived in Vancouver, convinced, as was Dudley, that "some action by the Spanish was contemplated against American interests from this port."³⁶ To ensure that the privateer remained in the news Cabrejo wrote long, cryptic letters to the *Victoria Times* and *Colonist* denying any Spanish involvement but in such a way as to guarantee a continued sense of anxiety in shipping circles.³⁷

Washington's concern over the Spanish privateer rumoured to be in B.C. waters was communicated to London. On 17 July Rear-Admiral

³² USSS, Seely to Assistant Secretary of War, 16 July 1898.

³³ USC Vancouver, Dudley to Moore, 8 July 1898.

³⁴ USC Victoria, Smith to Cridler, 8 July 1898.

³⁵ *Victoria Daily Colonist*, 9 July 1898, p. 5.

³⁶ USC Vancouver, Dudley to Moore, 11 August 1898.

³⁷ See *Daily Colonist*, 10 July 1898, p. 8; *Victoria Daily Times*, 8 July 1898, p. 4; 9 July 1898, p. 5.

Palliser received a telegram from the Admiralty advising him that the colonial secretary had instructed the Governor-General of Canada, Lord Aberdeen, to ascertain whether the vessel was a "Spanish government auxiliary cruiser or a privateer under letter of marque." Palliser was charged with the duty of supporting "civil authority in preventing any breach of neutrality in British waters."³⁸ The following day Palliser ordered three warships about to depart for patrol duty in the Bering Sea to search British waters en route for the privateer. On the 21st, Palliser informed Aberdeen of the details of his search plan.³⁹ But after a week of extensive searching neither the vessel nor any evidence of its presence was discovered.⁴⁰ On 29 July, Palliser telegraphed the search results to Aberdeen and asked for further instructions. Aberdeen replied that the findings would be communicated to London and the Canadian government but "meanwhile from opinion already received I can definitely state that Canadian government do not consider any further steps needed."⁴¹ Since mid-July 1898 Spain and the United States had begun to explore avenues for a negotiated settlement, and fears of the Spanish privateer faded.⁴²

Of course, the Spanish privateer never existed, but by making a vague but plausible offer to a reputable Canadian pilot and ensuring that it received ample publicity, Spanish agents in Victoria and Vancouver were able to lend substance to American fears of Spanish commerce raiders lurking in Hecate Strait. In like manner, their purposefully indiscreet inquiries into the coal trade kept alive lingering anxieties about an undiscovered Spanish naval force in the Pacific.

In view of the rapid collapse of Spanish arms and the short duration of the war, it is doubtful that the activities of the Spanish agents in Victoria

³⁸ *Admiralty*, Pacific Station, telegram, Admiralty to Palliser, 17 July 1898.

³⁹ *Ibid.*, Palliser to Aberdeen, 21 July 1898.

⁴⁰ *Ibid.*, officer commanding H.M.S. *Icarus* to Palliser, 25 July 1898. In a confidential report to the Admiralty, 2 August 1898, detailing the actions he had taken concerning the privateer, Palliser concluded with the observation that "personally, I believe the whole story is a myth got up by interested persons in British Columbia with the object of driving trade into British bottoms and taking it from the Americans." U.S. Consul Smith harboured similar suspicions: cf. note 22 *supra*.

⁴¹ *Ibid.*, Aberdeen to Palliser, 30 July 1898.

⁴² U.S. Secret Service agents, however, were still sleuthing in Victoria and Vancouver in August 1898. The Secret Service records contain a series of telegrams from Victoria and Vancouver dated 3, 5 and 9 August variously signed "George" and "George W. Hastings" to John E. Wilkie, chief of the Secret Service. A clerk in Washington identified one of the telegrams as being from George W. Hazen, a senior agent who had been in Vancouver in July.

had any discernible effect on the war. But this is not to say that they did not perform their missions creditably. The Americans never discovered the exact nature of the intelligence they relayed to their government and were genuinely disquieted by the spurious threats of naval raids and privateers that the Spanish in Victoria manufactured.