continued to be a suitable means of war, even if it had lost its peacetime appeal. Both Napoleon's "Continental System," and Britain's wartime Orders in Council arbitrarily regulating neutral trade with occupied Europe, were intended to pursue mercantilist objectives of power.

The mercantilist principle found some place in a 19th century practice known as the "pacific blockade" which used a naval blockade to promote limited purposes without resort to war, without abandoning the advantages of a non-belligerent relationship. The practice, especially when used to obtain payment of a debt, was derived from the concept of reprisal, or "self help." No right was usually claimed to interfere with neutral shipping, and private property seized during a pacific blockade was not condemned. Once the dispute was settled, the property was returned to its owners. The objective of reprisal is by definition a limited one; one not involving the safety of either party. This limited objective is critical to operationalizing the concept.

The use of pacific blockade in 1902 by the German, British and Italian governments to oblige Venezuela to honour its debts most closely resembled the mercantilist model, and is also the closest historical model for a pro-active sanctions system. Seizure of maritime trade directly addressed the issue of unpaid debt. The political implications of European naval action in waters viewed as a U.S. sphere of influence, however, ensured that the "neutral" United States would become involved, and that the exercise of power would be frustrated. The U.S. Secretary of State John Hay declared that the United States "understood that European powers were bound to claim the right to defend their interests in South America", but "greatly deplored the intervention of a European power in the affairs of a South American republic." A demand by the German government for protracted control of the Venezuelan customs house, ostensibly for collection of the debt, suggested an underlying motive of securing a political and possibly a military foothold in South America. This led to a show of American naval and diplomatic strength and to Britain's withdrawal of support. 52

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⁵¹ Georg Schwarzenburger and E.A. Brown, <u>A Manual of International Law</u>, 6th edition, pp. 109, 150.

⁵² Albert E. Hogan, <u>Pacific Blockade</u>, (London, 1908), p. 124; Thomas F. Power Jr., <u>Jules Ferry and the Renaissance of French Imperialism</u>, (New York, 1966), p. 172, s.v. "Undeclared War with China", et seq.; A. Thomazi, <u>La Conquete de L'Indochine</u>, (Paris, 1934), s.v. "La Guerre Navale (1884-1885)"; Ralph A. Leitner Jr., "International Considerations in the French Blockade of Formosa (1884-1885)", (New York: Ph D St. John's University, 1979); Neil H. Alford, <u>Naval War College International Law Studies</u>, 1963, <u>Modern Economic Warfare (Law and the Naval Participant)</u>, (Washington, 1967), s.v. "Pacific Blockade" pp. 273-9; Holger H. Herwig, <u>Germany's Vision of Empire in Venezuela</u>, 1871-1914, (Princeton, 1986), *passim.*; and C.J. Bartlett, <u>Great Britain and Sea Power</u>, (Oxford, 1963), p 87.