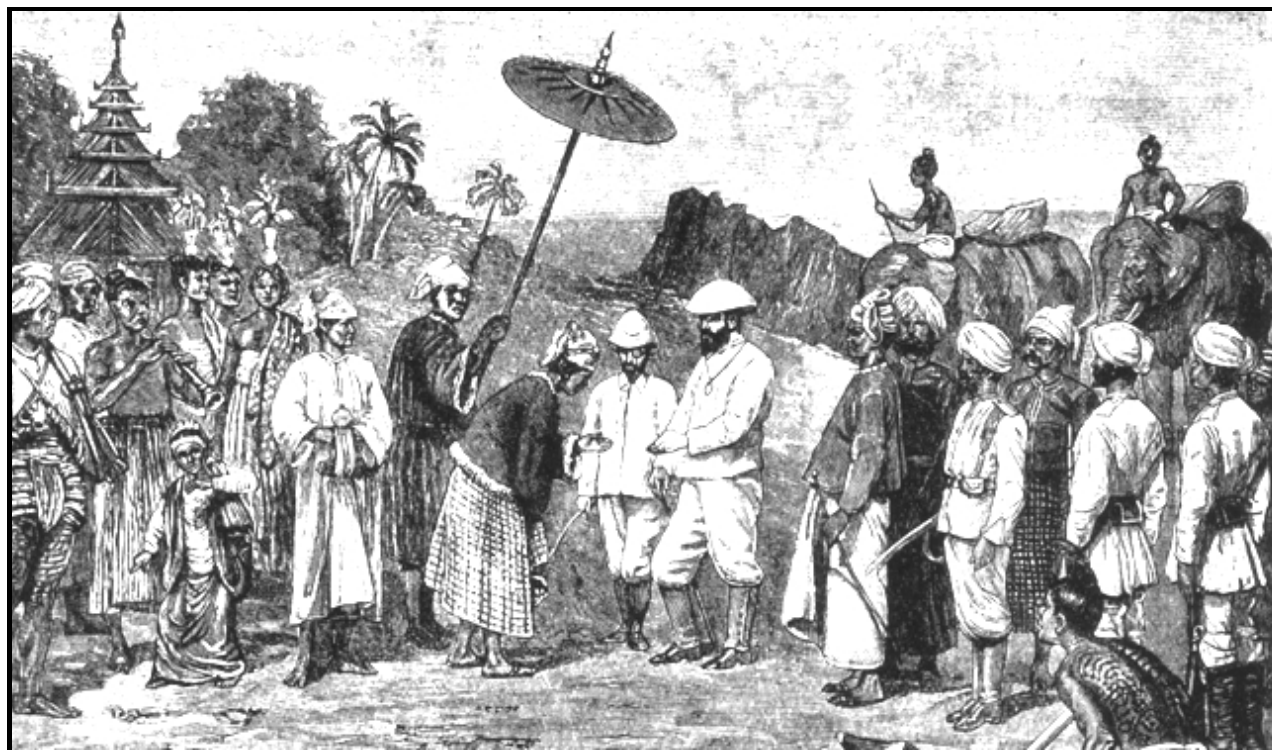


IMPERIALISM: SOME REFLECTIONS



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Empires have existed for a long time; one can think of the Babylonian, Assyrian, Roman empires, and so on. But today the word imperialism is associated with those empires of the 'modern capitalist' nations that reached a peak in the late nineteenth and early twentieth centuries. The phenomenon is seen by many largely through the conceptual spectacles created by Hobson and Lenin. Their view essentially was that undeveloped colonies were necessary to

act as markets for goods and investment, without which Capitalism would collapse. With the end of the modern empires this theory has mutated into one of 'neocolonialism' and 'dependancy' theory. 'Exploitation' and enforced underdevelopment of the so called 'third world' by the capitalist 'first world' is necessary to maintain modern capitalism, we are told.

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The Orthodox View Refuted

The Hobson/Lenin/Socialist theory is false of course. In the nineteenth and twentieth centuries colonies were of negligible importance in the functioning or economic health of the major capitalist nations. (Whether Spain and Portugal were advanced is a moot point here, as both had major links with their colonies but neither were industrialised. There have been arguments about the importance of Korea to Japan.)

The primary market for most companies in advanced countries was at home, meeting new demands due to rising incomes created by capitalism. The major foreign markets were principally in other advanced countries. Even in the British case the number one or number two export market (depending on how one compares its figures with those of India) was Germany.

Investment was also principally in advanced countries. And where investment was made in underdeveloped countries they tended not to remain underdeveloped for long - for example Canada, Australia, New Zealand and most notably the United States, where the amount of foreign ownership and the persistence of a balance of payments deficit would, presumably, have had modern 'anti-colonialists' screaming "exploitation".

In the modern world those countries that allow foreign investment in private undertakings develop. Those that stress nationalism and anti-colonialism, insisting that government should channel most external finance and restrict foreign ownership, do not. The classic case is Argentina, which during the high period of imperialism in the late nineteenth and early twentieth centuries developed faster than most countries in the world (including Australia and New Zealand), largely due to the 'colonialism' of British capital. But beginning in the 1930s (before Peron, actually) Argentina largely cut itself away from foreign controlled projects and "liberated its currency from foreign constraints" (i.e. started inflating, a major cause of poverty long before Keynes made it respectable). Its economic decline was dramatic.

The points I have made are well known to economic historians in the field who could doubtless have expressed them better than I have done.¹ But the fact remains that there is a widespread idea that the motivation for imperialism was economic - to spread trading opportunities for private entrepreneurs - and that the political "right" supported imperialism while the "left" opposed it. This idea is also false.

The Reality of Imperialism

There *were* cases of force being used to 'open a market', most notably in the case of Japan, where Commodore Perry was sent by the conservative President Franklin Pierce. This example of imperialism brought Japan into contact with the rest of the world and began its transformation from a serf based subsistence economy punctuated by famines into a modern industrialised society. It was therefore (whatever one's opinion of its effects on world history) highly beneficial to Japan. But even this case was motivated only partially by the hope of economic gain. Pierce

also hoped to distract attention from tensions between North and South in the United States with a forceful foreign policy.

Almost invariably imperialism, in the sense of actually taking colonies, was motivated by a desire to extend the political power and grandeur of a *state*. Certainly economic *justifications* were used. Some German writers expounded a theory of 'Geopolitics' which treats each nation as a single individual in competition with other nation-individuals, all seeking to monopolize trade routes and raw materials. (Many board games are based on this collectivist idea, such as *Diplomacy*, *Machiavelli*, *Cold War*, and most notably in this context *Pax Britannica*.) This theory ignores completely the capitalist view of the mutual dependence between individuals and groups in different countries. It is an example of 'ideology' in the bad sense of the term, a set of ideas designed to justify rather than explain a particular series of actions.

The German empire almost certainly cost more to maintain than it gained Germany, especially if one counts the cost of its naval build-up. Also, both the growth of the empire and of the navy stimulated hostility in Britain, Germany's number one export market, which helped push Britain into the camp of Germany's enemies.

In Britain's case, trade with and investment in Canada and New Zealand, which were in the Empire, was little easier than with America and Argentina which were not. And the latter nations tended to give the better rates of return.

Britain's tropical colonies remained, if not "wretched little millstones" as Disraeli had called them, then at least of negligible importance, apart from India. India was the largest example of imperialism and is of course most discussed. The course of imperialism there was partly economically motivated, protecting the East India Company's trading interests, but even during the 18th century parliament was busy laying Governmental responsibilities on the Company that it did not want.

Leading figures emerged to carry out these responsibilities, like Governor General Cornwallis, who became bewitched with the Imperial mission of spreading order, guiding the native civilisation (or civilisations) and so on. The Company began to make trading losses.

The Conquest of Britain By India

But most of the British in government in India were not interested in spreading their own general civilisation (although the ones who wished to spread Christianity by governmental action helped to spark off the Indian Mutiny). They were awed by the vast scale of the civilisation they encountered, some parts of which they approved of, some they despised. Though they tried to hold themselves aloof, they were influenced by the culture of India possibly more than they influenced the Indians.

The British, in large measure, restored the system of government of the Mogul Empire, although they made it less arbitrary and property rights more secure.

As time went on the British Raj became more hostile to trade and traders. This was an adoption of the attitudes of traditional Indian rulers and of the Brahmins. These attitudes spread to Britain, where they were one of the influences in spreading collectivist thought. The Hegelian view of the state as sacred, which Thomas Arnold helped spread as Headmaster of Rugby and in his writings, and the collectivist attitudes spread by the 'missionaries' of Balliol College from the 1850s onwards, would have had far less impact if it had not been for two ready audiences. These were the bureaucrats in the Indian Civil Service and later in the new exam controlled Civil Service and armed forces. In place of the honest corruption of buying ones place there arose the Eastern view of the perfectly detached 'public servant' - the bureaucrat as priest.

It is thus possible to say that far from Britain harming India (which was probably ruled better than before anyway) it could be that, by giving non-market opportunities and stimulating anti-trade attitudes among important groups in Britain India harmed Britain.

In most of the rest of the Empire Britain pursued a basically *laissez-faire* policy of leaving local rulers and elders alone, just keeping the peace and trying to minimise coercion. This old spirit lasted a long time, in places. Only a few years ago the then Governor of Hong Kong still refused to collect population figures. "What would we want them for?", he asked.

The Ideological Roots of Imperialism

But around 1930 a terrible change began to come about in Africa: a great increase in administration, marketing boards, rules, regulations and so on. Young locals had their heads filled with nonsense in Western schools and universities, and were then placed in positions of influence over the heads of traditional chiefs and elders, and over local businessmen. The insanities of post-independence Africa have their roots in, and merely follow to their logical conclusion, the stupidities of pre-independence Africa.

The point here is that these stupidities were imposed to a great extent by statist and collectivist 'conservatives' such as Oliver Littleton, in alliance with socialists and state interventionists of various sorts. The idea of spreading the grandeur of the state by increasing the territory under its control naturally appealed to men who wished to increase the scope of the state at home.

In Britain Disraeli, the first Prime Minister eagerly to endorse imperialism (reversing his previous position, as was his habit) was also the first Prime Minister to have clearly Hegelian ideas. Disraeli saw the nation as divided into groups and estates, with different responsibilities and interests which must be balanced and arbitrated by a strong state.²

Disraeli's ideological successor Randolph Churchill had similar Imperial notions, although he had a better grasp of economics and therefore of the harmful effects of military expenditure. That other arch-social reformer Joseph Chamberlain, the architect of municipal socialism and enemy of Gladstonian liberalism was also a staunch Imperialist. It

was Chamberlain who, when Gladstone succeeded in defeating him found himself more readily at home in the party of the Factory Acts, council houses and compulsory education - the Conservative Party.

In the Conservative Party Chamberlain had to tone down his views on class conflict and his attempts to abolish the House of Lords,³ but immeasurably strengthened the collectivist and statist elements in that party.

With his friends the Webbs, and the rest of the Fabian Society, Chamberlain could allow his 'Mr. Respectable' mask to slip, although he was not a full member of the Society or a full socialist. He was rather too grand to care who owned the butcher or the baker as long as they were firmly controlled by the state. In his last years Chamberlain grew more careless. In 1914 he founded the Socio-Imperial Party, which with its programme of extreme nationalism, militarism and imperialism coupled with state domination of the economy could arguably be considered the first National Socialist/Fascist party.

If Chamberlain represented one type of 'right wing' statist Imperialist, the Fabians represented the 'left wing' road to Imperialism. For example, H. G. Wells was one of the most determined imperialists. His vision was one of a great white world ruled by scientific technocrats (see for example his *Shape of Things To Come*). This new social order depended, he thought, on the sweeping away of all other cultures, indeed peoples; those "teeming millions of Blacks, Yellows and Browns will have to go". The idea that the Fabians were a peace loving lot still somehow persists. Actually they were quite happy with violence (or most of them were) as long as it served 'progressive' ends, hence their attitude to the Russian Revolution as well as to imperialism.

Meanwhile, such classical liberals as Gladstone and Herbert Spencer were denouncing colonialism and being condemned for doing so as old-fashioned and unprogressive, or as 'little Englanders'. This term of quasi-abuse was usually used on Tory opponents of imperialism, but later confusedly applied to trade protectionists who were often imperialists. Even the 'arch-reactionary' Tory Lord Salisbury (who, as Prime Minister presided over Colonial Secretary Chamberlain's expansionary activities, as well as his Workmen's Compensation scheme) is now known to have written the series of strongly anti-imperialist articles in *The Saturday Review*. Salisbury was an anti-imperialist because of the liberal, anti-state elements of his type of conservatism. (He had to tolerate Chamberlain to keep the coalition of Conservatives and Unionists together and to prevent Irish home rule. And as a ideological pessimist he rarely opposed anything properly as he thought he would lose.)

Socialism and Imperialism

Although not all socialists and social reformers were imperialists, imperialists tended to be social reformers. This ideological pattern can be found in nation after nation.

In America 'big business' opposed the Spanish American War. It was Teddy Roosevelt and the 'progressives' (plus the 'muckraking' press, with the same devotion to truth it

showed at home) who favoured it. Imperialism was one of the ideas of the 'new Nationalism' along with National Parks, prohibition, immigration controls, health and safety regulations, price fixing, 'trust busting', economic regulation and the whole body of socialist, statist and collectivist ideas which were gaining in popularity.

The same minds who advised intervention abroad, whether they were right or wrong (and I certainly regard Franklin Roosevelt's intervention in World War II as right) also tended to advise it at home. The 'muckraking' press warning of 'big business' at home and the 'yellow peril' abroad. Of course, American socialists have always had a simple attitude to intervention. If it benefits Socialism it is good; if it harms Socialism it is bad. But as I have indicated, domestic, economic interventionists in America have a long tradition of external interventionism and this did not die with direct imperialism. Indeed, extreme non-interventionism, whether right or wrong, one opposed to, say, both South African sanctions and Government help for the 'Contras', is confined to factions of free market libertarianism in America, like the Cato Institute.

In Germany the founder of Empire was the Hegelian Bismark, who also was the first in the world to introduce 'social insurance' schemes, i.e. state welfare benefits designed to look like insurance. And the twin reasons for Kaiser Wilhelm II's dismissal of Bismark (apart from personality clashes) were that Bismark had not pushed ahead strongly enough with colonial and naval expansion on the one hand and welfarist 'state socialism' as it was called, on the other.⁴

In France the leading imperialist was Jules Ferry. Today it is remembered that the Socialist leader Georges Clemenceau opposed Ferry's imperialism, but it is less well remembered that Ferry was a socialist who attacked the independence of the Roman Catholic Church and was a champion of state education and housing.

In Italy the leading imperialist was Francisco Crispi, the anti-clerical and social reformer. His work was carried on by Giovanni Giacolitti (although in his case perhaps more from pragmatism than principle) and after World War I the twin policies of imperialism and social reform were carried on by Benito Mussolini, who laid the foundations of the Italian welfare system with more durability than he built the Italian empire.

In Japan the militarism and imperialism of the armed forces was connected with collectivist and often quasi-Marxist ideas⁵) and with a rejection of the free market ideas that had influenced such things as Japan's privatisation drive in the 1880s.

Imperialism, 'Left' and 'Right', and the Importance of History

The reason that people associate imperialism with the 'right' and with capitalism is that now imperialism is unfashionable socialists have labelled it 'right wing' and switched to anti-imperialism (at least, anti-Western imperialism!). This is a common socialist practice. Collectivist concepts they once championed (and when convenient

still do) are dropped, or re-labelled 'right wing' when they lose their popularity. Hence nationalism, is rejected as 'rightist' and bad, unless it is dressed up as anti-Western and anti-capitalist 'national liberation' and is good. Racism, which well-suited Marx, Engels, H. G. Wells and many others, is now treated as the ultimate horror, unless it is convenient, when it becomes 'black consciousness' and 'positive discrimination'. Similarly, the anti-semitism of most of the historic socialists is discretely forgotten, but acceptable when dressed up as contemporary 'anti-Zionism'.

He who controls the past (or rather what is thought about the past) controls the future. Socialists seek to control thought about the past, and hence the conditions and problems of the present, through distortions and sometimes downright lies. To oppose them we must study the real historical record, learn the truth, and then communicate it to as many as we can.

The historical record is always complex, as even my cursory discussion of imperialism should reveal. And we must certainly resist any temptation to emulate socialist style simplifications. Nevertheless, I am sure that an objective examination of the historical record refutes the anti-capitalist theories of the Socialists *and* demystifies their ideological history and title to be the 'party of humanity'.

Notes

1. See, for example, D. K. Fieldhouse, *Economics and Empire 1830-1914*, Macmillan, London, 1984.
2. So called 'One Nation' Conservative Party members presumably don't understand that one nation is precisely the concept that Disraeli would have thought false and undesirable.
3. Though I suspect he helped engineer the 1909 crisis by giving the Lords deliberately bad advice.
4. The extreme militaristic and imperialistic attitudes of many German social reformers and socialists is covered to some extent by Friedrich Hayek in *The Road To Serfdom*, Routledge and Kegan Paul, London, 1944.
5. See Paul Johnson *A History of the Modern World*, Weidenfeld and Nicolson, London, 1983.