Future echoes: the seeds of globalisation’s informal empire in Britain’s formal imperialism.

Introduction

This paper explores the evolution of Britain and its foreign policy, identifying the themes in its previous formal empire which can illuminate our understanding of the current, informal imperialism of globalisation. The paper makes three central points. First, it describes the historical continuity between the two imperial forms and how the informal imperialism of globalisation evolved out of Britain’s formal empire. Second, it notes that a key feature of this continuity is the effective ownership of both imperialisms by an identifiable socio-economic class. Third, it challenges the Liberal view that freedom for wealth and general political freedom are mutually complementary by showing how these two imperial structures have tended to privilege the first of those freedoms at the expense of the latter.

Under twenty-first century globalisation, a transnational class of investors, bureaucrats and opinion-formers work together to shape the global political economy to serve their interests, in a process that frequently involves evading or thwarting democracy and the popular will. This international governing class is bound together both by shared material interests and by a shared legitimising ideology that it characterises as favouring mutually-dependent free-markets and liberal democracy.

The foundations of modern globalisation were laid by the British Empire in the nineteenth century, but the distinction between the informal globalised imperialism of today and Britain’s earlier, formal empire is not clear cut. An examination of how Britain and its foreign policies have evolved over the past four centuries reveals the shared characteristics of the two imperial forms: the domination of a propertied class, collaborating both with the domestic state and with peers across borders to advance their individual and collective interests, and bound together by a legitimising ideology that rebrands its pursuit of material prizes as a high-minded, moral-ideological crusade. We also find that, both in bourgeois British imperialism and in the bourgeois empire of modern globalisation, the official doctrine of free-markets complementing liberal political forms masks the reality of propertied interests waging a constant struggle against democracy and popular self-determination.

Scholarly work that explores particular concepts or paradigms of understanding tends to focus on what is novel and distinct about the concept in question and what separates or differentiates it from other, ostensibly competing frames of reference. However, it is possible to value a theoretical viewpoint whilst still acknowledging where it overlaps and even complements the paradigms that it attempts to set itself
apart from. That is the approach taken in this paper. Rather than discussing what is unique or distinct about “informal empire”, I propose instead to explore what an informal and a formal imperial structure have in common. My aim in doing so is not to call into question the validity or utility of the concept of “informal empire”. Rather, it is to make some observations regarding a few of the common and essential features of imperialism – formal and informal - in order to offer a reminder of why these phenomena ought to concern us as scholars on a moral as well as an analytical level. Specifically, I will explore the illiberal, anti-democratic nature of imperialism, and its role as a tool of social and economic elites, highlighting these aspects by tracing their persistence through the evolution of British imperialism from its earliest days, up until the emergence of the modern globalised world for which the British Empire laid the foundations.

The paper will take the following structure. I will begin by proposing a view of the modern global political economy as an “informal empire”, where the sovereignty of individual nations is curtailed by the power of a transnational ruling class which exercises that power through national and international structures of governance and economic institutions and activities. I will then review some key aspects of the evolution of the British empire, stressing the point that - though more state-centric than the informal imperialism we see today – the former, formal empire was also the project of a particular elite group. I will devote particular attention to the way in which democratic forms of government were explicitly rejected in favour of the rule of a propertied elite in the earliest days of the British empire, and the implications of that outcome in the evolution of the empire. I will move on to show how the British empire helped lay the foundations of today’s informal imperialism, and note some ‘future echoes’ of those modern imperial forms in the British imperialism of the nineteenth century. I will then talk briefly about the transition from British global dominance to the international political economy of the present day, noting Britain’s changing role in that changing system, before concluding with a summary of the shared characteristics of the two imperial forms.

*The globalised political economy as an informal empire*

If we think of an empire as an international power structure wherein imperial subject societies have their sovereignty and capacity for self-determination curtailed by an identifiable external force that exerts its will upon its subjects in order to serve its own interests, then it can certainly be plausibly argued that the modern, “globalised” political economy fits this description in many important respects. Under this interpretation of today’s international scene, it is plainly easier to identify the subjects of imperial power than those who wield it. The subjects are those forced to contend with their vulnerability to capital flight, damaging international financial flows, foreign military interventions and (in some respects) the dictates of international governmental institutions. The extent to which a society can consider itself an imperial subject is inversely proportional to the extent to which it is capable of
resisting such forces and retaining control of its own destiny. Though some societies are clearly better equipped to meet this challenge than others, the current serious disruption to the international economy highlights the vulnerability of even the most powerful societies to these external forces.

A harder question to answer is that of whose empire this is. The temptation is to fall back on familiar views of empires as state-centric. But does this adequately capture the nature of power, where it resides, and how it behaves in the present day? If the essence of imperialism is the exertion of power and the curtailment of sovereignty and self-determination across borders, then shouldn’t our understanding of empire allow room for whomsoever wields that kind of power, be it a city-state, a nation-state or, perhaps in today’s world, a social class?

Neo-Gramscians have argued that “[w]e need to move away altogether from a statist conception of hegemony ... and revert to a ... view of hegemony as a form of social domination exercised not by states but by social groups and classes operating through states and other institutions” under which “states have been captured by transnationally oriented dominant groups who use them to integrate their countries into emergent global capitalist structures” (Robinson:561 & 563).

This view of the power of transnational economic forces is not new (and indeed predates the adoption of “neo-liberal” economic philosophy by the world’s leading states, though that philosophy is today recognised as the legitimising ideology of this form of international economic power). Writing in 1979, Eric Hobsbawm noted that the world had entered a “phase of economic development ... marked by a notable re-emergence of the transnational or supranational elements in the world economy” and that “the emergence ... of forms of economic organisation which not only cut across or transcend the boundaries of national economies but compete with them and may be beyond their control, is hardly to be denied” (Hobsbawm:1979:314-5).

By 1999, Susan Strange was able to present a compelling case to the effect that the state system (described by Strange as the “Westfailure system”) was now incapable of dealing with these transnational forces effectively. Strange identified failures to prevent damage to the world’s environment, to preserve a sustainable distribution of wealth and resources worldwide, and (rather presciently) to control the international financial system, as showing that the most serious forces and dynamics affecting humanity now lie outwith the control of nation states (and therefore, one might add, outwith the realms of democratic accountability).

Strange echoes Robinson’s remarks on the role of a particular class in this system of power:

“A common assumption is that the present system is sustained by the power of a transnational capitalist class. I have no doubt that such a class exists and
does exert its power over the market economy and the rules — such as they are — that govern it. ... [We might recognise] the emergence of a transnational interest group with powerful levers over national governments including that of the United States and members of the European Union” (Strange:353)

Strange does sound a note of caution regarding the use of the term ‘class’, since it “suggests far more solidarity and uniformity than in fact exists” (Strange:353). But we can accept the disparate and diffuse nature of economic power in the system whilst still also acknowledging, as Strange does, the not-inconsiderable extent to which it is able to act in a concentrated and effective manner to advance its interests and impose its will. In this respect, perhaps the most telling of Strange’s observations are those on wealth disparity:

“The discrepant and divergent figures on infant mortality, on children without enough to eat, on the spread of AIDS in Africa and Asia, and on every other socio-economic indicator tell the story. The gap between rich countries and very poor ones is widening, and so is the gap between the rich and the poor in the poor countries and the rich and the poor in the rich countries. It is not that we do not know the answer to socio-economic inequalities; it is redistributive tax and welfare measures .... . But applying that answer to world society is frustrated by the West failure system, so closely tied in as it is with the ‘liberalised’ market economy” (Strange:351-2)

When wealth and power are so closely interrelated as to be practically synonymous, disparities in wealth are necessarily disparities in power, and the level of global economic inequality is therefore inversely proportional to the extent that we can consider ourselves to live in a democratic world. If Strange is right to say that the answer to the problem of wealth inequality is well known, and only not implemented because nation states are subject to external forces that oppose such moves, then that would strongly suggest that many societies in the world have the status of imperial subjects: unable to pursue self-determination and improvement because they are subject to the will and self-interest of an external force.

This view directly contradicts the notion of “free-markets” as complementing liberal political forms. The central argument in Naomi Klein’s recent book “The Shock Doctrine” is that the economic philosophies of Milton Friedman and the Chicago School which have been most closely associated with “globalisation” in recent years are often implemented in public policy through a subversion or evasion of democracy. Klein provides a number of well-documented examples – Chile in the 1970s (Klein:75-115), post-apartheid South Africa (Klein:194-217), post-Communist Russia (Klein:218-262) and Sri Lanka after the Asian Tsunami (Klein:385-405) – of neo-liberal economic policies being put into effect in situations, be they exploited or deliberately engineered, where democratic scrutiny and accountability was either weak or absent. These were instances (most obviously in the case of the overthrow
of the Allende government in Chile) where “states have been captured by transnationally oriented dominant groups who use them to integrate their countries into emergent global capitalist structures” (returning to our earlier quote from Robinson).

No discussion of empire or hegemony in the early twenty-first century could credibly ignore the role of the United States, especially given the vast military resources at that country’s disposal. But it is not to deny the existence of an American imperialism of some description to point out that this particular international power does not operate in a narrowly state-centric fashion. As Robinson notes:

“The result of US military conquest is not the creation of exclusive zones for ‘US’ exploitation... . Rather, the beneficiaries of US military action are transnational capitalist groups and the US state has, in the main, advanced transnational capitalist interests. Shortly after taking control of Iraq in 2003, for instance, the US occupation force unveiled ‘Order 39’, which provided unrestricted access to Iraq for investors from anywhere in the world” (Robinson:569, see also Klein)

The global role of the US state, in other words, is the maintenance of a broad global economic and political system (from which it of course expects to benefit).

“[Since 1945] the US has shouldered the responsibility for protecting the interests of the “satisfied nations” whose power places them “above the rest,” the “rich men dwelling at peace within their habitations” to whom “the government of the world must be entrusted,” as Winston Churchill put the matter after World War II” (Chomsky:33)

In this analysis, the state functions not in the interests of the nation as a whole so much as in the interests of a class of people and institutions located both nationally and internationally. We need not therefore discard all references to the state when analysing the current imperial forms. The state plays a crucial role; the key is to understand what precisely that role is.

In summary, we have an imperial system where state and economic institutions work on the behalf of a broad but nonetheless recognisable socio-economic class to exert power and influence across international borders. This class power may be concentrated in some locations more than others, and some states may take a more leading role in the system than others, but the system remains transnational and class dominated.

Also, since direct territorial control is a rarity, and since the legitimising ideology of liberal democratic forms and “free markets” plays as important a role in persuading
national elites to draw their nations into this global system (by whatever means) as material pressure or military might, this empire can then be classified as informal.

But to what extent is this really a departure? I would argue that though the current informal imperialism of the globalised international political economy has undeniably unique and novel characteristics, it is nevertheless the product of historical processes, and many of its key features as identified above are very much recognisable in earlier, more formal empires. To illustrate this point, I will review some pertinent aspects of the evolution of Britain and its empire.

**Democracy vs Property in the English Civil War**

The question of in whose interests the British state should be run was a live one in the earliest days of the British empire. This was not purely a question of which particular social elite would take the reigns of governance. The question of whether the public as a whole should be enfranchised was openly debated, with the notion firmly rejected by the propertied classes on the explicit grounds that democracy would run counter to their interests.

The English Civil war of the mid-seventeenth century is most commonly understood as a struggle between the Puritan oligarchs of Parliament and the monarchists who were, broadly speaking, not unsympathetic to Catholicism. The Puritans' increasing willingness to insist on their version of Christianity, the Parliament's insistence on its rights as a constitutional body, and King Charles I's insistence on his own divine right to rule, all combined to produce a bloody, full-scale civil war which eventually saw the monarchy overthrown and replaced by an oligarchical republic headed by a dictator, Oliver Cromwell.

What is less widely known is that towards the end of the civil war, with the Royalists essentially beaten and minds turning to what form of government would replace the monarchy, there was, momentarily, a real chance that events might conspire to produce Western Europe's first recognisable democracy (or at least, proto-democracy) in Britain. The fact that this did not come to pass had fundamental implications for the country Britain would become, the empire it would go on to build, and the global political economy that would emerge from that empire.

Parliament at this time was not a democratic body, its members in the Commons were elected only by those owning estates worth 40 shillings or more (Foot:7). This excluded all but a small fraction of adult males, and the entirety of the female population. The distribution of seats bore no relation to the distribution of population.

“Of the Commons’ 492 members, 265 came from tiny boroughs too small for any meaningful election, many of them nominated by the King. Add to this ... the widespread buying of seats, routine bribery and the power of the rising
monopolists of industry and trade, and the representative element in Parliament was next to nothing. ... . The glaring truth about Parliament was that it was an assembly of rich men chosen overwhelmingly by rich men for the purpose of safeguarding and extending the property of rich men” (Foot:8)

When in the aftermath of war the Parliamentarians airily dismissed growing discontent amongst the Republican army’s ranks over pay and conditions, they would not have expected this dispute to lead to a fundamental challenge to their own authority, which they would have assumed to be secure following the King’s defeat. But the army had become increasingly influenced by a political movement known as the Levellers, which demanded radical democratisation. The statement of Leveller leader Richard Overton in 1645 that “[a]ll men are equally alike born to like propriety, liberty and freedom” (Foot:9) preceded similar statements from the American founding fathers by nearly a century and a half. Specifically, the Levellers called for:

- annual Parliaments,
- an end to secret Parliamentary proceedings with these instead to be recorded and published,
- payment of MPs so as not to limit this job to those of independent means, and
- Parliamentary reform to equalise constituencies and remove the “rotten boroughs” where Commons a seat was secured through some corrupt means rather than free election.

When the rank and file of the army, through its elected representatives, echoed the Levellers demands in October of 1647, they did so without even the specification (which one might well have expected in the extremely socially conservative England of the 1640s) that votes be limited to the male population. When the army marched on London, at one point seemingly holding in its power the ability to dismiss Parliament and impose its demands without negotiation with its supposed masters, the Generals of the army (who, with the exception of Admiral of the Fleet, Thomas Rainsborough, lined up with the Parliamentary oligarchs) realised that those demands would have to be addressed. There followed one of the key episodes of British history: the Putney debates.

The Putney debates offer a clear challenge to the notion – central to the legitimising ideology of “globalisation” – that freedom for wealth and general political freedom are mutually complementary. At Putney in October 1647, property and democracy clashed head on.

Speaking for the democrats, Thomas Rainsborough said:

“For really I think that the poorest he that is in England hath a life to live, as the greatest he; and therefore truly, Sir, I think it’s clear, that every man that is to
live under a government ought first by his own consent to put himself under that
government; and I do think that the poorest man in England is not at all bound
in a strict sense to that government that he hath not had a voice to put himself under...” (Foot:28).

For the rights of property, Henry Ireton, Commissary-General and Cromwell’s son-
in-law, replied:

“I think that no person has a right to an interest or share in the disposing of the
affairs of the kingdom, and in determining or choosing those that shall
determine what laws we shall be ruled by here – no person has a right to this,
that has not a permanent fixed interest in the kingdom” (Foot:29).

By a “permanent fixed interest” Ireton meant substantial property. He went on to say
that only “the persons in whom all land lies, and those in corporations in whom all
trading lies” should be able to vote, because if “we shall go to take away this, we
shall plainly go to take away all property and interest that any man hath” (Foot:29).

Ireton’s position was that universal enfranchisement was a threat to privilege and
property – an anarchist’s charter. Rainsborough countered that accusation by saying
(and here Foot paraphrases) that “the rule of the rich, unchecked even by the votes
of the poor, was far more anarchic than any threat to property from votes for the
poor” (Foot:30).

As the debate went on, the fears of property were expressed more openly. Colonel
Nathaniel Rich said “It may happen, that the majority may by law, not in confusion,
destroy property; there may be a law enacted that there shall be equality of goods
and estate” (Foot:30) while Ireton at one pointed blurted out, “I have a property ...
and this I shall enjoy”. To be deprived of this was “a thing evil in itself and
scandalous to the world” (Foot:32).

In respect of the fears of Ireton and Rich, it should be noted that the Levellers and
those who sided with them at Putney were not, unlike some of their contemporaries
(like Gerald Winstanley and the Digger movement), proto-communists. The stress
they placed was on political rather than economic equality. But the implications, the
threats posed by democracy were well understood by those who enjoyed the
benefits of an economically unequal system (Foot:34).

Though the democrats are thought to have won a formal vote on these principles at
the Putney debates (Foot:34), a combination of cajoling, bullying and outright
violence ensured that the Generals won the day in any event (Foot:38-40). Leveller
leaders were jailed, the dissenter printing presses stamped out, and any mutinous
activity in the army put down with deadly force. In scenes reminiscent of the final
paragraph of George Orwell’s “Animal Farm”, the country’s upper classes now hailed
Cromwell as their saviour; since the executed King was no longer there to defend them and their property, Cromwell would fulfil this role as ‘Lord Protector’. (Foot:41-43)

The implications of democracy’s defeat

Cromwell’s first Parliament was entirely unelected. The second was chosen by a smaller electorate than had returned the last one under Charles. (Foot:43) In fact – save for the fact that the head (King, House of Lords and bishops) had been lopped off the English body politic – society continued much as before under the Republic, run as it was by the upper, middle and landowning classes of “the magistrates chair...county hunts..and..city counting houses” (Schama(a):175-7)

These men “invested far more time and energy in preventing any sort of radical change than in promoting it”. They were “businessmen of state, mercantilists, money-managers. And in their swaggering, beady-eyed way, fierce patriots” whose ideology was “the aggressive prosecution of the national interest”. This governing class built an empire for itself, not only on the British archipelago through Cromwell’s brutal wars on the Irish and Scots, but also overseas, in the North Sea, Baltic and Atlantic. “It was commercially rapacious and militarily brutal, beery chauvinism erected into a guiding principle of state .... [Britain and its new empire were now run] by a corporate alliance of county gentry and city merchants”. (Schama(a):178)

The death of Cromwell destabilised the new gentry/merchant-dominated state, depriving it of an authority figure to hold the competing interests together. The Restoration of the monarchy in 1660 was an attempt to place Charles II in this role, i.e. to pick up where Cromwell, not the previous king, had left off (Schama(a):201-3). The Glorious Revolution of 1688 was undertaken by that same new propertied, governing class to keep the monarchy in its place and ensure further continuity. With that accomplished, the ruling class was able, in its collective interest, to put the fratricidal violence of the seventeenth century behind it and getting on with the serious business of making money. Presided over by grandees-come-oligarch godfathers like Sir Robert Walpole, imperial expansion into the Americas and the Indian subcontinent proceeded, vast wars with Spain and France were undertaken to cement Britain as a new global power, and a kind of military-commercial complex began to emerge, creating “another kind of army ... bond-holders, tax-assessors and accountants; customs and excise men, thousands upon thousands of them”, tied together by patronage and collective self interest (Schama(a):277).

A further, critical source of growth for the new commercial aristocracy was the slave trade. “By the middle of the eighteenth century, the mercantile ‘empire of liberty’ was critically dependent or its fortune on the economic universe made from slavery” (Schama(a):343). Britain’s single most valuable import was the sugar produced by three quarters of a million West Indian slaves, generating huge personal fortunes
and general enrichment which was in turn to transform both the economy and British society. The ports of Bristol and Liverpool developed and expanded significantly as a direct result of the transatlantic trade. The great library at All Soul’s College, Oxford was built thanks to a donation from the Codmingtons of Barbados. The banking houses of Barclays and Lloyds grew rich, and reinvested in manufacturing. And the *nouveaux riches* of the trade were now throwing their weight around in Westminster and the City of London.

By the latter part of the eighteenth century, the nature of the nation state that had been created by those who had defeated democracy, and their heirs, was reasonably clear. It was this Britain which would produce the 19th century empire that really set the scene for today’s global, informal empire.

*Creating a World Economy*

The “long nineteenth century”, dating from the French Revolution to the outbreak of World War I, has been described, most notably by Hobsbawm in his magisterial works on this period, as being the era in which bourgeois political, economic, cultural and ideological forms rose into the ascendency across the globe, remaking the international political economy in their image (Hobsbawm 1962, 1975 & 1987). Though, as noted above, a propertied class of oligarchs had been making its presence felt as a leading player in the governance of Britain from at least the days of the Cromwellian republic, it was in the “long nineteenth century” that the old aristocracy was decisively sidelined by a new, modern bourgeoisie. This was a development that was either completed, begun or at least had its presence felt across the globe. But as the country in which the industrial revolution originated, and whose imperial power and scope was most extensive, it was Britain – or to be more precise, the elites that governed Britain - that took the lead in this revolutionary process.

Britain set itself up at the centre of a global web of economic activity. As Giovanni Arrighi explains:

“The recycling of imperial tribute extracted from the colonies into capital invested all over the world enhanced London’s comparative advantage as a world financial centre *vis-à-vis* competing centres such as Amsterdam and Paris. This....made London the natural home of *haute finance* – a closely knit body of cosmopolitan financiers whose global networks were turned into yet another instrument of British government of the interstate system” (Arrighi:54)

In addition, by opening itself up as the consumer market for the world’s producers, Britain made itself the indispensable hub of international economic activity; indispensable, in particular, to a growing international economic class who relied
upon British finance to expand their businesses and British consumers to purchase their products. Arrighi notes that

“the national communities that had risen to power in the Americas and in many parts of Europe [in the late eighteenth and early nineteenth centuries] were primarily communities of property-holders....It was these communities that formed the “natural” constituency of British free trade hegemony” (Arrighi:56)

Property-holders remained the leading or governing force at the imperial centre as well as in the colonies, dominions, and areas subject to Britain’s effective control. Successive waves of popular protest against elite rule and in favour of representative democracy were beaten back by the British state (most notably in the wake of the French revolution, and again in the Chartist movement of the mid-nineteenth century) with the use of political repression and occasional outright violence. Political reform, when it did come, was piecemeal and aimed at buying off as small a sliver as possible of the propertied lower-orders so that the rest could be safely ignored. Universal male suffrage without any property qualification was only achieved after World War I, with female suffrage coming later still. The domination of British politics by property was near-total during the nineteenth century (to say nothing of its continuation after that) (Foot:45-237; Schama (b):13-109).

So when we speak of British imperialism, we should consider the term as shorthand. It was not the miners of Merthyr Tydfil who dictated terms to Tipu Sultan of Mysore or the Khedive of Egypt, but a British state firmly in the control of an economic elite; an elite more given to collaborative political and economic action with similar classes than with its own compatriots.

This international class also possessed a legitimising ideology for the pursuit of its self interest. The British mode of imperialism, Arrighi goes on to say, “established the principle that the laws operating within and between states were subject to the higher authority of a new, metaphysical entity – a world market ruled by its own ‘laws’ – allegedly endowed with supernatural powers” (Arrighi:55). These laws were adhered to even at times when departing from them might have saved thousands, or millions of lives, as in the case of the Irish potato famine and the epic famines that gripped British ruled India in the latter part of the nineteenth century (Schama(b):195-235). There seems little doubt that British officials such as Edward Bulwer-Lytton and Charles Trevelyan, who presided over these calamities, genuinely felt that to defy the market and simply provide relief for the starving was, though it is hard to comprehend it today, not the moral course of action. The strength of the legitimising ideology that accompanied British economic and imperial power was demonstrated by the fact that it was sincerely believed and religiously adhered to even when tested to obvious and total destruction.
Another key component of this ideology was the notion that British imperial rule was a form of altruistic missionary work whose purpose was not only to benefit Britain but to benefit its imperial subjects as well. Self-rule, in India for example, would be introduced just as soon as the country, in Britain’s judgement, was again able to stand on its own two feet as a fully-fledged member of the modern world. It was, it seemed, merely a happy coincidence that the point where India suddenly and mysteriously mislaid its ability to govern itself (after centuries of producing a succession of the world’s leading civilisations) was the very same point in history that Britain appeared on the scene, ready to nurse the patient back to health and, again entirely coincidentally, make an enormous profit in doing so.

It should also be noted that when the empire did eventually withdraw it did so at a point when it was no longer physically capable of maintaining control over the colonies in the face of strong pressure from highly mobilised and dedicated independence movements. Moreover, those independence movements often drew their liberatory philosophies from their own histories and not from the British tradition in which they were allegedly being educated. For example, in the case of India, Gandhi’s concept of ‘satyagraha’ – truth, and love even for one’s oppressor, as a liberating force – was very much an indigenous concept. Moreover, Gandhi not only rejected the version of modernity imposed by British rule, but hoped to liberate both the oppressed and, perhaps, even the oppressor from what he saw as the false idols of profit and power. There was a civilising mission at work here, but it was being instigated not by Whitehall, but against it (Schama(b):292). In the end, democracy in the former colonies was not an achievement of Britain’s liberal empire so much as a result of its defeat. And yet, though it is easy to be cynical, in hindsight, about oxymoronic notions of a liberating empire, there is little doubt that they were held by the likes of Thomas Macaulay and James Mill with as much sincerity as their freely expressed contempt for Indian civilisation as they found it (Schama(b): 199-212).

In summary, many of the key features of the today’s informal imperialism were present also in Britain’s more formal imperialism of eighteenth and nineteenth century: the role of commercial activity in binding countries and economies together in the specific interests of a certain, transnational class, with one particularly powerful state taking the lead role in the system, and with that system legitimised by an ideology that recast the intrinsically non-democratic exertion of economic and political power in the interests of that class as a high-minded civilising mission undertaken in accordance with liberal values.

**Britain’s informal imperialism**

Additionally, no review of the commonalities and continuities between Britain’s formal empire and modern informal imperialism could ignore the fact that informal empire was also a key part of British imperialism. As Gallagher and Robinson pointed out
“It ought to be a commonplace that Great Britain during the nineteenth century expanded overseas by means of ‘informal empire’ as much as by acquiring dominion in the strict constitutional sense. ... [To ignore this in our studies of British imperialism] is rather like judging the size and character of icebergs solely from the parts above the water-line” (Gallagher & Robinsion:1).

After all, as Gallagher and Robinsion go on to say

“Between 1815 and 1880, it is estimated, £1,187,000,000 in [British] credit had accumulated abroad, but no more than one-sixth was placed in the formal empire. Even by 1913, something less than half of the £3,975,000,000 of foreign investment lay inside the Empire. Similarly, in no year of the century did the Empire buy much more than one-third of Britain’s exports. The basic fact is that British industrialization caused an ever-expanding and intensifying development of overseas regions. Whether they were formally British or not, was a secondary consideration” (Gallagher & Robinsion:5)

In those parts of the world informally subjected to the rule of the British led system – for example Latin America (Brown; Gallagher & Robinsion) and the Middle East (Onley) – the continuities between imperialism past and present are even more in evidence. Access to markets and raw materials was secured through treaties, the exertion of political and economic influence, and the ever-present threat, in the background, of military force. While Britain’s formal empire was later to be dissolved, these informal structures of imperial power were to persist through the twentieth century and into the present day, albeit under new management.

Britain’s decline and the transition to globalised informal empire

Whilst Britain’s dominance of the world system was undermined by the industrialization of its rivals, eroding its head-start in the race into the modern world, it was the catastrophes of the period between 1914 and 1945 that dealt the fatal blows to the world’s first global empire. Whilst a world economy (or at least the basis for one) survived, Britain’s capacity to manage and control it was gone. What is interesting here is that the hegemon which replaced Britain – the United States – did not seize control of the system from its predecessor by force. In fact, the handover of power (though arguably a reality that was in any event irresistible) was conducted in a positively consensual manner.

“As collaboration between [Britain and the US] developed [in the first half of the twentieth century], an influential strand of British political opinion came to designate the United States not just as Britain’s partner but as its natural successor to the leading role in the world system”
“These elites were motivated partly by cultural and ideological affinities, but also by the perception that both states shared an interest in promoting the conditions for a liberal international order. There [was] ... sufficient common
ground [between them] to make collaboration possible and to encourage the
idea, particularly on the British side, of a project to transfer the role and
responsibilities which Britain had once exercised as a hegemonic power to the
United States. In this way, a transfer of hegemony was engineered between the
two powers, which rested on collaboration rather than conflict. .... The decisive
historical choice, which Britain made in 1940...was in favour of .... an open
world economy – which required the acceptance of United States leadership. ...
The importance of being at the heart of an expanding world economy was in
the end judged more important than the preservation of a regional sphere of
interest” (Gamble).

Hegemony therefore was not seen as a zero sum game. For leading members of the
class that were the principal beneficiaries of the world system, the maintenance of
that system was more important than which state in particular took the leading role in
its management; and this assessment was shared even by those state managers
who were relinquishing their own hegemonic role. This remarkably strong consensus
on shared class interests is a key link between the past and present imperial
systems under discussion in this paper.

Britain therefore stepped back to play a role as a component part of the US-
managed system. Its defence capability was integrated with that of the US and other
leading states through NATO and through collaboration on nuclear weapons
systems. It maintained a leading role through the City of London in global finance
and insurance. And it played a collaborative role, along with the United States, in
maintaining discipline in the system, bringing states that threatened to choose
divergent paths (sometimes in accordance with the wishes of their electorates) back
into line. To this end, Britain involved itself in US-led coups and interventions in Iran,
Indonesia and Iraq, to name a few, as well as providing military and diplomatic
support to allied states within the system (Curtis:2003 & 2004). Though formal,
territorial control was for almost invariably eschewed in the new system, perhaps
through concerns over costs and feasibility (Gartzke), the effective control that
Gallagher and Robinson identified as being the real issue, whatever particular form it
took, remained the key consideration.

In the invasion and occupation of Iraq, the most notable of these interventions to
take place in recent years, talk of democratisation obscured the strenuous efforts
made by the occupiers to ensure that the new Iraqi state would conform to their own
designs. As noted above, this involved extensive economic reforms undertaken by
US diktat prior to any Iraqi elections being held. It also involved the stifling of
indigenous attempts to craft democratic forms of governance in the immediate
aftermath of the invasion, lest the wrong Iraqis come to power (Klein). The attempt to
create a friendly, Iraqi state, dependent on Western military power, integrated into the broader economic and political system, and with its supplies of resources secured for the benefit of that system was, in most fundamental respects, entirely consistent with the previous informal imperialism practised by Britain in the Middle East (Onley).

Conclusion

My focus on the commonalities and continuities between these two imperial forms should not be taken as a denial of the significant differences that are apparent between the modern world and the world that was dominated by Britain a hundred years ago. The ability of the leading states to impose themselves militarily on other parts of the world is much diminished, as is the willingness of western publics to tolerate the misdeeds of their governments. It is inconceivable, for example, that a country where hundreds of thousands protested the invasion of Iraq even before it had begun would allow its government to be complicit in anything so horrific as the Indian famines of the late Victorian era, in which Britain can reasonably be accused of having a hand in the deaths of millions. And in addition to the diminished power of the leading states, we must also recognise the significant differences in the way power is distributed in the system. As noted above, economic activity takes place beyond the reach of the state system to an unprecedented extent. This in turn accentuates the leading role in the system of the elite transnational classes above and beyond the role of states.

Nevertheless, it must also be acknowledged that the thematic threads we can trace from the history of British imperialism right up to the present day represent fundamental aspects of empire that we would prefer to believe had by now been consigned to history. Large disparities in power and wealth, the ability of a relatively narrow elite to control the major social, political and economic institutions to serve its own interest, and in doing so to frequently deny self-determination or even a decent life to large swathes of the world population are issues of such urgency and importance than no meaningful agenda of research into the international political economy can overlook them whilst retaining its credibility. Though the distinctions between previous formal empires and modern, informal imperialism are clearly important, the ties that bind them are equally worthy of our attention.
Bibliography


