

Rethinking Nineteenth-century Liberal Internationalism in Context: From Revolutionary Thought to a Prop of the Status Quo?¹

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Introduction

This paper provides a historical sketch of the development of nineteenth-century liberal internationalism, with the main emphasis on its changing role in international political thought from that of challenging the old political order to the championing of the emergent status quo. Close attention is paid to Edward Hallett Carr's critical analysis of the key features of nineteenth-century liberal international thought, e.g. the prospect for perpetual peace and a faith in free trade, to develop the view that they became the dominant ideology of those who wished to maintain their supremacy in the international system². Through the re-examination of Carr's attempt to relativise Western liberal principles, the paper is intended to contribute to the theoretical discussion about the predominant influence of Britain and the United States over international society and political culture in the nineteenth and twentieth centuries; as is well acknowledged, their influence was endorsed by the deep-rooted tradition of liberal internationalism.

Based on the extension to international relations of the classical political economy of Adam Smith and David Ricardo's theory of comparative advantage, liberal internationalism developed remarkably in the nineteenth century: the legitimacy of international law was advocated by Jeremy Bentham and his utilitarian followers, while the economic principle of free trade was extended by Richard Cobden into a political doctrine for peace and prosperity. The development of national self-determination was believed to serve the growth of internationalism founded on the natural harmony of national interests; the invisible hand was supposed to work for international harmony. Carr criticized those liberal discourses for becoming timeless doctrines and being 'transplanted' to the twentieth-century context to maintain hegemonic powers position in the international order³.

In this paper, we shall first explore how liberal internationalism was spread and transformed by a solid political and ideological backing. The discussion will be followed by a reappraisal of Carr's argument that what is regarded as the common good in international relations in the traditional liberal way of thinking is only a reflection of the interests of powerful liberal states of the time. The significance of his intellectual confrontation with those supposedly universal and rational principles will be indicated in the last part of the paper.

¹ This is a work-in-progress paper. The subject will be further elaborated in the author's doctoral thesis.

² Edward Hallett Carr (1892–1982) is widely regarded as one of the most important thinkers and writers on some of the key debates of the twentieth-century world: international relations, the Soviet Union and the philosophy of history.

³ Carr, *The Twenty Years' Crisis*, with a new introduction by Michael Cox (Basingstoke: Palgrave, 2001), p.28.

1 . The Rise of Liberal Internationalism

1.1 The Enlightenment

In short, liberalism is a political tradition, ethical doctrine, ideology and form of philosophical thinking that particularly values the liberty of the individual. The idea was radical in origin; it was intended to liberate people from a system of absolute monarchy that arbitrarily violated personal freedom. The process of modernisation unleashed by the scientific revolution produced great faith in human reason and rationality, and belief in progress which became central to the liberal outlook. Although there are fundamental disagreements among liberals on the issues of, for example, how to define the area of personal freedom and what exactly people should be free from, it is still reasonable to regard classical liberalism as a general theory about a variety of liberties to be established by the reform of pre-modern relationships between individual, society and state⁴.

Claiming impressive victories in the development of democratic self-government in the sphere of domestic politics, liberals in the late eighteenth and nineteenth centuries came to believe that they now could change the international system. Of course, the need to create new arrangements among states to bring about a more peaceful international order had been argued before then: for example, William Penn had devised a plan for a general European ‘Diet’ in 1693; and Abbé de Saint–Pierre had called for a European Union in 1713 for establishing an everlasting peace in Europe. Yet the most significant attempt to internationalise liberal principles was made by two of the visionary, if very different, Enlightenment thinkers: Immanuel Kant and Jeremy Bentham. Both planned for ‘perpetual peace’ in the domain of lawless international relations by applying new political concepts of the modern constitutional state⁵. Together with other late-eighteenth-century authors, Kant and Bentham shifted their focus from the individual state to the system of states.

For Kant, the existing state system could be superseded by the universal community of rational humankind sharing a common interest in peace. He believed that peace could be achieved not by legal regulation of interstate relations (e.g. a peace treaty) but by the radical transformation of each internal state’s constitution into a republican form. These constitutional, democratic states should contract a ‘pacific federation’, which, in Kant’s view, stood not for a world government with coercive power but for a constitution that preserves and secures the freedom of each state itself⁶.

The application of the contract between individuals in the domestic arena to states in the international realm was pursued by Bentham. Bentham, who coined the term ‘international relations’, sought a

⁴ For the variety of liberties, L.T.Hobhouse listed the following as key elements with which the liberalising movement assailed the old order: civil liberty; fiscal liberty; personal liberty; social liberty; economic liberty; domestic liberty; local, racial and national liberty; international liberty; political liberty and popular sovereignty. Hobhouse, *Liberalism* (London and Oxford: Oxford University Press, 1964), Chap.2.

⁵ For a basic definition of ‘liberal internationalism’ and its constituents in modern international relations, see Tim Dunne’s chapter on ‘Liberalism’ in John Baylis and Steve Smith eds., *The Globalization of World Politics: An Introduction to International Relations* (Oxford: Oxford University Press, 2001), Chap.8.

⁶ Immanuel Kant ‘Perpetual Peace: A Philosophical Sketch’, in Hans Reiss ed., *Kant’s Political Writings* (Cambridge: Cambridge University Press, 1970), p.104.

law-governed international society based on a judicial system which he called the ‘Common Court of Judicature’. This court would adjudicate on ‘the decision of differences between the several nations’ without any coercive powers⁷. Bentham firmly believed international reform to be inevitable as a result of the application of rational constitutionalism and the spread of commerce; these were based on his concepts of economic utility and harmony of interests, which were expected to govern the relations between states as well as within states.

Although the differences between Kant’s and Bentham’s thoughts in the tradition of moral philosophy are immense, they at least shared a faith in the benefits of fundamental change of existing social/economic practices or political institutions led by a reason-driven progress⁸. Indeed, it was the quest for this radical change that shaped the early development of liberal internationalism, whose central ideas have been highly influential ever since. Carr, however, cast a critical eye upon its essential belief in the sufficiency of reason to promote right conduct and its view that reason could demonstrate the absurdity of international anarchy⁹. He criticised the nineteenth-century doctrines of reason particularly for its forming the ‘utopian background’ of the inter-war period. However, exploring this criticism further, we should first look at the growth of liberal internationalism in nineteenth-century Britain and the challenges it faced, which had a significant impact on Carr’s thought.

1.2 Liberal Internationalism in Britain

The philosophy of the eighteenth-century Enlightenment was not taken seriously by any of the governments or rulers of the time. However, in the rapid process of modernisation, it formed a key part of liberal thought and practice in the nineteenth century. From a historical perspective, liberal internationalism began to enter public consciousness in the eighteenth century, then started to conquer the political institutions of the Western world during the nineteenth. Backed by the spread of industrialism and the increase in commercial interaction, the liberal ideas of freedom and political equality became a political ideology that was influential enough to erode the old order.

Gradually liberalism developed into an established system of social thought in Britain, where the new industrial and commercial entrepreneurs had to deal with an authoritarian government in church and state, the traditional privileges of aristocracy, and restrictive mercantilist policies devised in the previous centuries. Under the combined influence of a belief in natural liberty and Utilitarianism, liberalism in the nineteenth century spread the doctrines of peace, retrenchment, reform, and free trade. These doctrines became highly influential in the thought and practice of British domestic and foreign policy, as M. J. Smith argues:

Nineteenth-century British liberals identified a strong connection between international commerce, domestic welfare, and the foreign policy stance of their country. For them, high military expenditures, balance-of-power machinations, and the pursuit of colonies all combined to divert attention

⁷ Evan Luard, *Basic Texts in International Relations: The Evolution of Ideas about International Society* (Basingstoke: Macmillan, 1992), pp.415–6, quoted from Bentham’s *A Plan for Universal and Perpetual Peace* (London, 1786–9).

⁸ Michael Joseph Smith, ‘Liberalism and International Freedom’, in Terry Nardin and David R. Mapel eds., *Traditions of International Ethics* (Cambridge and New York: Cambridge University Press, 1992), p.207.

⁹ Carr, *Crisis*, p.28.

from the business of promoting economic prosperity at home. States and diplomats could be expected to pursue such aggressive foreign policies - their own interests were at stake - but with the aid of a properly enlightened and led public opinion, rationality could triumph and state power could be limited¹⁰.

In the liberal internationalists' view, the spirit of commerce was incompatible with that of war. Liberals therefore did not want to leave politics to politicians; they felt that policy elites were unlikely to change the current political/economic system from which they earned privilege. They held that power was exercised only in the interests of governing elites against the wishes of the people. One result of such undemocratic politics by unrepresentative professionals was, according to liberal thinkers, the prevailing balance of power system in international relations. John Bright, a passionate free trader, criticised 'the myth of the balance of power', arguing that the balance of power had been worshipped in Britain for many years at the cost of 'the lives of hundreds of thousands of Englishmen' and it should be 'pretty nearly dead and buried'¹¹.

For liberal internationalists, therefore, peace was achieved by free trade. Free commercial intercourse between nations would build ties among the severed peoples through common interests. Perhaps the leading advocate of this view was Richard Cobden, the radical English political activist who campaigned with John Bright for the abolition of the Corn Laws. Influenced by the Enlightenment philosophers, he believed that the removal of trade barriers was the necessary pre-condition for the establishment of permanent harmony among nations and would facilitate a more pacific form of international relations¹².

Cobden and other members of the Manchester School linked a political commitment to peace with the economic principle of free trade and Britain's international duty of promoting human freedom. According to their projected scenario, once motivated by the example and precept of Britain's prosperity (an outcome of free trade), other states would follow suit, and free trade would become universal¹³. They also presented a restricted view of the function of government, both in external and internal affairs. Especially in the economic field, they advocated the relaxation of state control, drawing from the theory of laissez-faire that had its roots in the classical political economy of Adam Smith. Smith's mechanism of harmonising individual and public interests through 'an invisible hand' came to promote a faith in a natural harmony of interests between states in the nineteenth century. With Bentham's definition of the common good as 'the greatest happiness of the greatest number' in mind, Cobden believed it to be free trade that brought about the 'greatest happiness' via a harmony of interests between nations: in Cobden's words, 'the triumph of free trade was a triumph of pacific principles between all nations of the earth'¹⁴.

¹⁰ *Ibid.*, p.205.

¹¹ Luard, *op. cit.*, pp.441-2.

¹² Donald Read, *Cobden and Bright* (London: Edward Arnold, 1967), pp.110-11.

¹³ F. R. Flournoy, 'British Liberal Theories of International Relations (1848-1898)', *Journal of the History of Ideas*, 7: 2, April 1946, p.201.

¹⁴ Read, *op. cit.*, p.65.

Thus, the key features of nineteenth-century liberal internationalism were the prospect for perpetual peace and a faith in free trade, the former an inevitable consequence of the latter as an international harmony of national interests would be promoted by a laissez-faire interaction of people, goods and ideas. The liberalising movement was widely accepted as a process of modernisation, and regarded optimistically as identical to progress. In the realm of international thought and practice, nineteenth-century liberalism had a major role in challenging and transforming the status quo founded on the concept of an international balance of power. The liberal thinkers' old enemy had been the prevailing power politics, which dominated relations among states and made it inevitable that each state exercised secret diplomacy and competed for colonies.

The balance of power system had been shaken early in the nineteenth century by the Napoleonic Wars. The potential for the international conflict was seemingly tamed after the Congress of Vienna (1814–15), the aim of which was to reconstruct Europe beyond power politics. This international environment, together with the growing appetite for long-term peace and free commerce, provided considerable momentum for nineteenth-century liberal internationalists to become influential. Their theoretical attack on the international struggle for power and war was now backed by the actual world of international politics. Morgenthau argues:

Since the end of the Napoleonic Wars, ever larger groups in the Western world have been persuaded that the struggle for power on the international scene is a temporary phenomenon, a historical accident that is bound to disappear once the peculiar historic conditions that have given rise to it have been eliminated...During the nineteenth century, liberals everywhere shared the conviction that power politics and war were residues of an obsolete system of government, and that with the victory of democracy and constitutional government over absolutism and autocracy international harmony and permanent peace would win out over power politics and war¹⁵.

2. Changes and challenges

2.1 New dimension

'The nineteenth century might be called the age of liberalism', L.T.Hobhouse wrote in 1911, 'yet its close saw the fortunes of that great movement brought to their lowest ebb...It seemed to have done its work. It had the air of a creed that is becoming fossilized as an extinct form¹⁶'. The glory of liberalism did not continue into the new century; wedged between the legacy of the old autocratic regime and increasing awareness of mass participation in politics, those who represented liberal international thought suffered political defeats and ideological splits in the second half of the nineteenth century, both at home and abroad. It was during this time that their two major doctrines, perpetual peace and free trade, gradually seemed to become more questionable.

¹⁵ Hans J. Morgenthau, *Politics among Nations: The Struggle for Power and Peace* (New York: Alfred A. Knopf, 1956), p.29.

¹⁶ L. T. Hobhouse, *op. cit.*, p.110.

In the domestic sphere, the classic liberal doctrine of state non-intervention was challenged by reformists' call for the state to play an active role in certain economic activities. Although liberals in Britain 'continued to pay lip-service to the principles of non-intervention, free trade and *laissez-faire*', many did not, in practice, strongly object to the growth of legislation and intervention that had been introduced as a result of growing public interest in 'the condition of the people' rather than the 'freedom of the individual'¹⁷. John Stuart Mill became increasingly sympathetic to the principle of state intervention in his later years¹⁸. T.H.Green and those who followed after him confronted directly the old liberal hostility to state action and tried to justify interventionism in liberal terms¹⁹. With the considerable impact of socialism, state intervention was now expected to play a role in promoting social justice as well as providing proper conditions for free economic competition.

Under this new intellectual influence, during the second half of the century the liberal approach to international politics was obviously shifting. A more active role for the state in the domestic arena was assumed to indicate a more active role in foreign affairs. The 'old' British liberal faith in peace to be achieved by non-interventionist and self-governing states was succeeded by a new liberal prescription of intervention for global peace and justice, in particular, in support of popular movements against 'foreign' domination. At a theoretical level, J. S. Mill defended the right of one state to intervene in the affairs of another to prevent oppressive alien government²⁰. At a policy level, taking the middle ground between the non-interference of Cobden and the active interventionism of Lord Palmerston, who led British foreign policy over 35 years from 1830, Gladstone justified diplomatic protests against the unjust treatment of one nation by another, and admitted that it was sometimes right that one nation, on the side of liberty against despotism, should interfere in the affairs of another²¹.

Helped by this shift in liberal theory and practice, the Italian liberal patriot Giuseppe Mazzini succeeded in convincing the British government to support Turkish and Italian nationalists in a war against autocratic Russia expanding to the west²². Gladstone became a hero of Italian nationalists, and his sympathy with movements of nationalistic aspirations in European countries was shared by those who believed that British prosperity depended on the free commerce and solidarity between free, independent nation states possessing liberal institutions like Great Britain. They saw no conflict between fighting for national independence, promoting the universal claims of liberalism, and defending the British Empire, despite the fact that such powerful national sentiment could contribute to the belief that war was the instrument by which conflicts between nations had to be resolved. This was a fundamental dilemma that faced liberals, who were openly hostile to war.

The progressive liberal internationalists believed in Britain's leading role in fostering global free-

¹⁷ Anthony Arblaster, *The Rise and Decline of Western Liberalism* (Oxford: Basil Blackwell, 1984), pp.284-5.

¹⁸ Flournoy, *op. cit.*, p.196.

¹⁹ Arblaster, *op. cit.*, pp.286-7.

²⁰ Luard, *op. cit.*, pp.180-5, quoted from J. S. Mill, *A Few Words on Non-Intervention* (London, 1859).

²¹ W. Lyon Bleasdale, *A Short History of English Liberalism* (London: Fisher Unwin, 1913), p.214, pp.259-60.

²² Mazzini settled in London from 1837, and founded the *Society of the Friends of Italy* in 1851, believing that Britain's support for the Italian struggle for republican liberty would give it a moral predominance in Europe. N. Gangulee ed., *Giuseppe Mazzini: Selected Writings* (London: Lindsay Drummond, 1945), p.19.

dom and justice, and felt a sense of duty to bring ‘underdeveloped’ nations the values of Western civilisation. They linked such Enlightenment-oriented foreign policy with the interests of British trade and industry. In their rhetoric, liberals were opposed to imperialist and aggressive expansion; in practice, however, they upheld it by supporting a chauvinist foreign policy²³. This lacuna was also seen in their basic stance on war and militarism. The liberal internationalist doctrine of perpetual peace was replaced by the ‘reformist’ liberal view, which regarded Cobden’s belief in the inevitable disappearance of war as far too optimistic²⁴. The inclination towards state intervention in domestic politics would lead to the justification of war in interstate relations as its functional equivalent. It can be argued, therefore, that the liberal view of war was closer to that of conservatives, who regarded war ultimately as a tool for solving disputes among states, than might at first appear²⁵.

Another major doctrine of liberal internationalism, laissez-faire free trade, also declined in the late nineteenth century, due mainly to the long depression starting in the 1870s and the growth of protectionism on the European continent. Free trade had reached a peak during the middle of the nineteenth century, complementing and enhancing colonialism and industrial expansion. It led to fierce competition for productive efficiency and a dependency on market forces, and consequently divided nations into two groups: those who could derive the full benefit of liberalised trade and those who could not.

In the international system, it became clear that not all states were rich and powerful enough to exploit the opportunities provided by free trade, or to influence free market forces for their own economic advantage. The British were the beneficiaries of the system because of their technological and industrial supremacy over their rivals; they thus tended to view free trade policies as a ‘universal good’ while rationalising the subordination and exploitation of the non-beneficiaries for their (i.e. British) interests. Carr rightly observed that because of this the ‘[a]cceptance of free-trade principles outside Great Britain had always been partial, half-hearted and short-lived’; it was not surprising therefore that it was especially outside Britain that free market principles declined in popularity and came under attack²⁶.

2.2 The Continental response

The major criticism of the international economic system of free-trade came from the Continent where the ‘non-benefitting’ nations felt threatened by the domination of markets by British low-cost products. Their attack on the ideology of free trade could be traced back to the deep disagreement over Enlightenment universalism, as seen in the idea of cultural relativism developed by the so-called German school, which included Herder, Hegel and Clausewitz, in the late eighteenth and early nineteenth century. In the eastern regions of Europe, thinkers who challenged the Enlightenment theories embraced the mixed concepts of anti-Westernism, Romanticism, and nationalism. These were considered as the Conti-

²³ Even Cobden and Bright, the most extreme among liberal anti-imperialists, supported taking measures to promote the cultivation of cotton in India. Cobden asserted that ‘we are supposed to be superior to the people of that country, and can therefore confer advantages upon them’. See Flournoy, *op. cit.*, pp.209–10.

²⁴ In spite of his opposition to war, Gladstone justified wars carried on against monarchs, such as Louis XIV and Napoleon I. Flournoy, *op. cit.*, p.213.

²⁵ Trøbjørn L. Knutsen, *A History of International Relations Theory* (Manchester and New York: Manchester University Press, 1997), pp.171–2.

²⁶ Carr, *Crisis*, p.46.

mental response to Atlantic liberalism, and influenced the advocacy of German political and economic unity, put into effect by Bismarckian statecraft²⁷.

In the political sphere, the conservative forces that had returned to power in almost every Continental state after Napoleon's defeat in 1815 used this line of argument to block liberal ideals of popular political participation. For them, the answer to British-led liberal internationalism and Napoleonic dominion was to build a strong modern state based firmly on a united nation. Even in German liberal circles, after 1850, the desirability of free trade and laissez-faire liberalism was questioned. German liberals did pursue liberal political and cultural goals; however, they regarded unconstrained markets as a threat to their own social and economic interests. They wanted to eliminate the potential dangers of unrestrained economic forces leading to social unrest²⁸. They supported a strong nation state, a constitutional system, and a set of uniform laws governing social and economic life.

The nationalistic challengers to free trade and the liberal international order often referred to a theory proposed by the German economist, Friedrich List. In his book, *The National System of Political Economy* (published in German in 1841), List criticised free trade theory as an 'ideology', by which Britain pursued its own national interests and exploited its particular advantages, such as the greater productivity of its industries and their consequent dominance of world trade. Stressing that Britain had developed its manufacturing power by means of protective duties, List condemned British practice, specifically the 'cosmopolitical doctrine of Adam Smith' because it 'kicks away the ladder by which he has climbed up, in order to deprive others of the means of climbing up after him'. The British then 'preach to other nations the benefits of free trade', yet, by that time, 'other nations' could no longer sustain free competition with Britain²⁹.

Maintaining that a national economy in an initial stage of industrialisation requires tariff protection and state planning, List proposed a policy of protectionism that detached the state temporarily from the free-trade international economic system. His ideas, representing a Continental response to the economic power and ideology that had been displayed by the Western countries, became influential among developing states and were subsequently adopted by the U.S. government. It is not surprising, therefore, that Carr cited List, together with Hegel and Marx, when discussing the fallacy of the international harmony of economic interests³⁰. In reality, the Anglo-French commercial treaty of 1860, the Cobden-Chevalier Treaty (named after its originators, Cobden and Michael Chevalier) and which stimulated a series of commercial treaties aimed at creating a freer common market in Europe, gradually collapsed because of an upsurge of protectionism. After his death in 1864, Cobden came to be increasingly regarded on the Continent and in the United States as a British economic nationalist who spread free trade internationalism to further Britain's interest and expected other states to accept subordinate roles³¹.

²⁷ For the theoretical role of this continental response in international relations, see Knutsen, *op. cit.*, p.173 ff.

²⁸ James J. Sheehan, *German Liberalism in the Nineteenth Century* (Chicago and London: The University of Chicago Press, 1978), pp.86-8.

²⁹ Friedrich List, *The National System of Political Economy* (Fairfield: Augustus M. Kelley, 1977), p.368.

³⁰ Carr, *Crisis*, pp.46-7.

³¹ Read, *op. cit.*, p.239. To cite just one example of criticism, there are the words of one prominent American reported in *The Times* in 1866: 'free trade was a system devised by England to enable her to plunder the world'.

Therefore, even prior to Carr's critical appraisal of the doctrine of a natural harmony of interests in international economic relations, the supposed universal value of free trade had come under challenge on the Continent. Outside of Britain, liberal internationalism had become known as the logic of the dominant that brought disproportionate profits to the hegemonic power.

2.3 Liberal Internationalism as the Status Quo ideology

Nineteenth-century liberalism inherited many of the ideas and the spirit of eighteenth-century Enlightenment reformers. However, it became more and more willing to contain the radical methods and revolutionary principles that were applied in the Revolution of 1789. In mid and late nineteenth-century Europe, liberals intervened in revolutions to end them; thus their position appeared almost identical to that of conservatives. In short, liberals no longer accepted revolution as a means of change³². At that time, a double challenge was facing liberals.

At the domestic level, there was a question of democracy requiring mass participation in the political process on equal terms³³. Liberals did not want radical political reform that could lead to massive social and economic changes, a position now adopted by socialists with the support of the working class who had become sceptical about the benefits for them of the free-market capitalist system. It is interesting to note that even Bright's idea of 'democracy' did not include universal suffrage for men, or, at all, for women³⁴. In the global domain, there were strong attacks on the English-speaking liberalism, denying its claims to universality. As we have seen, anti-liberal sentiments had been woven together with economic patriotism and romantic nationalism in Central and Eastern Europe. This framework of Continental counter-arguments against the universalism of the Western liberal idea of perpetual peace would be revisited by 'realist' critics of Woodrow Wilson's ideal of a universal peace system in the early twentieth century.

The liberal departure from revolutionary or democratic thought and practice can, at least in part, be explained by its class origin. Free trade was a middle-class movement from its earliest stage; free trade policies were enthusiastically advocated by British middle-class manufacturers, who strongly believed such policies led to both individual and national economic prosperity. Claiming that their organised economic power should secure national development, they identified their economic interests with those of the nation. As the interests between them appeared to be naturally harmonised through the 'invisible hand', middle-class liberals were able to exercise their influence over the country in the nineteenth century. The more power they gained, the more established they became as a prop of the status quo, the very thing against which they (with the socialists, with whom they rarely agreed) initially struggled. Liberal internationalists thus maintained the status quo by the doctrine of the harmony of interests, which is, in Carr's words, an 'ideology of a dominant group concerned to maintain its predominance by asserting the identity of its interests with those of the community as a whole'³⁵.

It is true, therefore, that the nineteenth century was the age of liberalism, as liberals' advocacy of the

³² For an analysis of this 'characteristic contradiction' of nineteenth-century liberalism, see Alan S. Kahan, *Liberalism in Nineteenth-Century Europe: The Political Culture of Limited Suffrage* (Basingstoke, Palgrave Macmillan: 2003), p.2.

³³ For a discussion of liberals' 'fear of democracy', see Arblaster, *op. cit.*, Chap.15.

³⁴ Read, *op. cit.*, p.177.

³⁵ Carr, *Crisis*, p.45.

free flow of international trade and attack on the balance-of-power system preserving the status quo were at some time accepted by many of the governments in Europe. However, the century also witnessed a retreat from the radical values and democratic practices that liberalism had earlier embraced, and, in the end, its metamorphosis into a new ideology of the status quo.

3. Carr on Free Trade and Peace

3.1 Free Trade

What, then, was Carr's view of nineteenth-century liberal internationalism? It is known that Carr criticised its principal ideas and beliefs, arguing that they were totally outdated. Recent Carr studies suggest that the core characteristic of his attack on inter-war 'utopianism' is inseparable from this criticism of nineteenth-century liberalism; in substance, the object of his attack was not the inter-war idealism but the liberal internationalism of the previous century³⁶. In general, however, International Relations commentators who focus on Carr's 'realist' attack on 'utopianism' have had little interest in unpacking Carr's thought on the political economy of the nineteenth century and situating it in the wider historical or theoretical context. To explore the nature of Carr's inter-war criticism, it is indispensable to examine which assumptions and prescriptions of liberal internationalism Carr was sceptical about, and which elements of its movement and ideology he cast a critical eye on.

Carr's view of nineteenth-century liberalism was anchored in his negative appraisal of two policies based on its doctrine: 'free trade' and 'peace as common interest'. As seen in the preceding section, these are exactly the ideas that the liberal internationalists of the previous century had most believed in. The following sections explore Carr's attitude towards these policies and other related ideas that were central to nineteenth-century international thought.

Originally, free trade had played an important role in Carr's intellectual upbringing as his father was an impassioned middle-class free-trader. However, attendance at a speech given by 'some minor delegate' (Yugoslav, Carr thought) at a League of Nations assembly in Geneva in 1930 gave him a shock; from it, he learnt that '[f]ree trade was the doctrine of economically powerful states which flourished without protection, but would be fatal to weak states³⁷'. Free trade is the defining feature of liberalism; thus, if it went, Carr thought, 'the whole liberal outlook went with it³⁸'. In an article published subsequently, he pointed out that free trade was idealised almost as a Victorian discipline, that is, 'a magnificent gesture, an act of courage, an example to the world³⁹'. In Carr's view, extending free trade on the assumption that 'if we offered free trade to the world, the world would offer free trade to us' was too op-

³⁶ Tim Dunne acknowledges that Carr 'incorrectly targets idealists of the interwar period as the object of his attack instead of the liberal internationalists of the nineteenth century', in Dunne, 'Liberalism', Baylis and Smith eds., *op. cit.*, p.167. Peter Wilson argues that Carr's critique of 'utopianism' could substantially be a critique of liberalism, especially nineteenth-century doctrines of laissez-faire economics. David Long and Peter Wilson eds., *Thinkers of the Twenty Years' Crisis: Inter-war idealism Reassessed* (Oxford: Clarendon Press, 1995), pp.3-4.

³⁷ Carr, 'Autobiography' in Michael Cox ed., *E. H. Carr: A Critical Appraisal* (Basingstoke: Palgrave, 2000), p. xvii.

³⁸ *Ibid.*

³⁹ John Hallett [E. H. Carr], 'England Adrift', *Fortnightly*, September 1930, p.356.

timistic to convince protectionists and anyway was no longer appropriate⁴⁰. Carr came to view a series of economic problems of Western capitalism as a result of wishful thinking about universal free trade - 'an imaginary condition which has never existed'⁴¹. To him, nineteenth-century free trade was not so much an actual policy as a powerful ideology; it was the 'concrete expressions of particular conditions and interests', believed to be 'an absolute standard', and trade policies were judged by the extent to which they conformed to, or diverged from, the principle⁴².

According to Carr, the ideology was spread by nineteenth-century British statesmen, who had 'discovered that free trade promoted British prosperity', and were 'sincerely convinced that, in doing so, it also promoted the prosperity of the world as a whole'⁴³. A plausible basis for the theory of free trade was provided by British predominance in the world economy; as in Carr's words: 'Economically, Great Britain in the nineteenth century was dominant enough to make a bold bid to impose on the world her own conception of international economic morality'⁴⁴. This is a reminder of Friedrich List's argument that free trade is not a universal doctrine but a body of ideas developed to suit British national interests by keeping other states in a dependent role. In this respect, Carr's attack on free-market ideology was clearly reminiscent of earlier Continental reactions to it.

Moreover, Carr could be counted as among the forerunners of those critical economic historians of the British Empire who focused on the relationship between the nineteenth-century trade system and liberalism. In Carr's view, Britain's economic strength and free-trade policy made it possible for the state to 'exercise in many countries a measure of indirect influence and control which no other Power could have achieved' without interfering with the political independence of the countries concerned⁴⁵. He acknowledged that due to its unchallenged naval and economic supremacy Britain had been able to keep China under its informal control with a minimum of both military force and economic discrimination⁴⁶.

Interestingly, this is a way of thinking that corresponds with that of one of the most influential historical accounts of the nineteenth-century spread of British imperialism, Robinson and Gallagher's 'The Imperialism of Free Trade' (1953), an article which introduced the concept of 'informal empire'⁴⁷. Robinson and Gallagher show that the expansion of the British Empire was conducted on both an informal and formal basis, and, echoing Carr's notion of 'indirect influence and control', they argue that Britain enjoyed informal influence over those countries that were economically dependent upon Britain.

Carr also noted that the nineteenth-century system of 'relatively free' trade and a single international currency standard had never been completely 'free' from all control; in fact, they had been 'managed' by the City of London, where a large proportion of the international trade of the world was negotiated and

⁴⁰ *Ibid.*

⁴¹ Carr, *Crisis*, p.7.

⁴² *Ibid.*, p.14.

⁴³ *Ibid.*, p.76.

⁴⁴ *Ibid.*

⁴⁵ *Ibid.*, p.119.

⁴⁶ *Ibid.*, p.118.

⁴⁷ R. E. Robinson and John Gallagher, 'The Imperialism of Free Trade', *Economic History Review*, Second series, 6: 1, 1953.

financed⁴⁸. This is a line of argument which has been developed by historians who have written about ‘gentlemanly capitalism’, a concept which pays special attention to the highly influential role of the financial and service sectors in the City of London on Britain’s presence overseas after 1850⁴⁹.

These examples show that modern scholars might find much that is interesting in re-reading Carr’s analysis of the ‘free trade’ system in the wider historical and economic context of British imperialism.

3.2 The Common Interest in Peace

Nineteenth-century free trade ideology and policy was based on a doctrine of the natural harmony of national interests. Carr argued that ‘[u]niversal free trade was justified on the ground that the maximum economic interest of each nation was identified with the maximum economic interest of the whole world⁵⁰’. In his analysis, a political application of this doctrine led to another principle of nineteenth-century liberalism, that is, a common interest in the maintenance of peace, which assumed that ‘every nation has an identical interest in peace and that any nation which desires to disturb the peace is therefore both irrational and immoral⁵¹’.

The target of Carr’s criticism was not the condition of peace itself but the belief that peace is always an indivisible, indispensable and universal good. In his first article on peace, Carr emphasised the pluralistic nature of peace, arguing that the means of promoting peace varies. He further argued that ‘peace’ was a relative concept, contingent on the time, place, fields of study, public opinion, etc⁵². A good example was nineteenth-century British imperialism disguised as ‘pax Britannica’, which Carr contended simply showed that international peace was ‘a special vested interest of predominant powers’, just like free trade⁵³.

Peace was not indivisible. The idea of a common interest in peace was not universal but specific to a certain time and place, as evidenced by the late-nineteenth-century ‘peace’ in Europe under British hegemony. At the domestic level, according to Carr, peace was in the interest of the ruling class in a community wishing to guarantee its own security and predominance by avoiding class war⁵⁴. At the international level, peace was in the interest of the dominant nation or group of nations wishing to maintain their power by identifying their interests with those of the world as a whole⁵⁵. Thus, so long as the supremacy of the dominant actor was great enough to be unchallenged, the concept of peace would be maintained on the supposed basis of the harmony of interests. However, in Carr’s view, this was an illusion; it concealed the fact that the interests of the privileged and the underprivileged never naturally accord, with the latter often depicted by the former as disturbers of the peace⁵⁶.

⁴⁸ Carr, *Conditions of Peace* (London: Macmillan, 1942), p.173.

⁴⁹ For the notion of ‘gentlemanly capitalism’, see P. J. Cain and A. G. Hopkins, ‘Gentlemanly Capitalism and British Expansion Overseas. II. New Imperialism’, *Economic History Review*, 40: 1, February 1987, pp.1–26.

⁵⁰ Carr, *Crisis*, p.45.

⁵¹ *Ibid.*, p.50.

⁵² Carr, ‘Public Opinion as a Safeguard of Peace’, *International Affairs*, 15: 6, November-December 1936, pp.846–62.

⁵³ Carr, *Crisis*, p.76.

⁵⁴ *Ibid.*

⁵⁵ *Ibid.*

⁵⁶ *Ibid.*, p.77.

Through a critical investigation of the two major principles of nineteenth-century liberal internationalism (i.e. free trade and the idea of universal peace), Carr concluded that ‘these supposedly absolute and universal principles were not principles at all, but the unconscious reflexions of national policy based on particular interpretation of national interest at a particular time⁵⁷’. Thus free trade and perpetual peace should be understood, according to Carr, as the reflection of the economic and political interests of privileged people living in the dominant Power, as Great Britain was in the nineteenth century.

Carr consistently argued against this universalisation of those specific interests by the application of Western liberal principles, whose historical significance he did not deny. Actually, he acknowledged that, in a limited number of countries, nineteenth-century liberalism had been a great success, for utilitarianism and laissez-faire trade had directed the course of the industrial and commercial expansion of the century. However, what he stressed was that this liberalism was founded on ‘a balance of forces peculiar to the economic development of the period and the countries concerned’, not on ‘certain a priori rational principles which had only to be applied in other contexts to produce similar results⁵⁸’. In sum, it is the context-bound and interest-oriented nature of those supposedly universal and rational principles that Carr sought to reveal.

3.3 Democracy

The liberal attempt to universalise its particular interests was, according to Carr, reinforced in the second half of the nineteenth century by a liberal departure from the core idea of democracy. Carr did not deny at all the achievements of nineteenth-century liberal democracy in Britain, such as the great Reform Act in 1832 and the extension of the franchise in 1867, both of which Carr believed had given effective political rights to new strata of the population and caused a great shift in the distribution of power⁵⁹. However, when it reached its culmination in the middle of the century, in Carr’s view, liberal democracy provided equal rights only among privileged ‘property-owners’, who did not share those rights with other members of the community. In the year of 1848, confronting workers’ demand for social revolution in Paris and other European cities, liberals came to identify themselves with the forces of order and authority. Liberals now stood on the side of the counter-revolution, and contributed to the defeat of the revolution, as A. J. P. Taylor wrote, ‘to their own subsequent ruin⁶⁰’. Carr contended that they ‘ceased to be revolutionary’ and ‘tended more and more to be associated with conservatism⁶¹’.

In his view, what democracy originally meant was:

‘the abolition of the arbitrary rule of military power and the substitution of the rule of law as determined by a majority of members of the society for the agreed purpose of protecting the freedom of person and private property and the sanctity of private contract⁶²’.

⁵⁷ *Ibid.*, p.80.

⁵⁸ *Ibid.*, p.29.

⁵⁹ Carr, *Conditions*, p.16.

⁶⁰ A. J. P. Taylor, *Europe: Grandeur and Decline* (London: Penguin, 1991), p.28.

⁶¹ Carr, *Conditions*, pp.19–20; Carr, *Soviet Impact on the Western World* (London: Macmillan, 1946), p.9.

⁶² Carr, *Conditions*, p.21.

Yet liberal democracy in this sense had been ‘destroyed’ by two factors that ‘began to operate in the second half of the nineteenth century and had attained their full development in 1920’. In the first place, the holders of economic power increasingly used political weapons to secure economic benefits for themselves and their organised economic power became the dominant factor in politics. Carr wrote that ‘national policy on vital issues is really settled, as Marx alleged, not by a democratic counting of votes, but by the result of perpetual struggle for power between rival economic interests⁶³’. Thus, democratic forms and political rights became gradually emptied of their significance by the overriding force of economic power.

In the second place, Carr argued, a sense of obligation to make democracy and its institutions work became obsolete. This was caused, he contended, by a growing public appetite for new functions of the state and the development of bureaucracy⁶⁴. Carr actually did not deplore or denounce it; rather, he accepted this new expansion of administration as a symptom and consequence of the acquisition of political power by the newly enfranchised masses. However, in his view, the growing complication of the machinery of government placed the control of matters affecting the everyday life of the citizen in the hands of bureaucrats and experts, and undermined the ‘sense of identity between government and governed⁶⁵’. Contemporary democracy thus failed to ‘develop among its members a sense not only of common benefits to be derived from the state, but of common obligations to the state - in particular of a common responsibility to make democracy work⁶⁶’.

The remedies Carr proposed for these matters were: supplementing political equality by an advance towards social and economic equality; achieving the dominance of the ordinary citizen’s will over the organised forces of economic power; and drawing the ordinary citizen more into the processes of administration⁶⁷. ‘The foundations of nineteenth-century liberal democracy crumbled’, Carr argued, and due to the absence of these remedies the foundations of twentieth-century mass democracy had still to be laid⁶⁸.

Conclusion

This paper explored the development of liberal internationalism in the nineteenth century, with a focus on its changing role in political thought and practice. Carr provides a profound insight into our understanding of this change by drawing on the critical analyses of Western liberalism presented by earlier Continental philosophers. He viewed its key doctrines of ‘free trade’, ‘perpetual peace’ and ‘democracy’ as forming a prop of the status quo. These he thought had ceased to be revolutionary, becoming, instead, the dominant ideology for hegemonic powers to maintain their supremacy in the international system.

His main argument can be reread in today’s context as well. In the post-Cold War world, the gospel of victorious Western liberalism has been highly influential. Our view of the world is shaped largely by

⁶³ *Ibid.*, p.26.

⁶⁴ *Ibid.*, p.28.

⁶⁵ *Ibid.*, p.36.

⁶⁶ *Ibid.*, p.29.

⁶⁷ *Ibid.*, p.36.

⁶⁸ *Ibid.*, p.27 ff.

political discourses promoting the universalization of Western liberal democracy as the final form of governance, the dominant of free market economy based on (neo-)liberal capitalism, and rational and instrumental individuals independent of collective structures. These discourses have played a crucial role in theory and practice of international relations today as nineteenth-century liberal doctrines did in Carr's time. It seems, however, that the current realities of global politics show that those principles endorsed by the post-Cold War international system expose its inability 'to provide any absolute and disinterested standard for the conduct of international affairs'⁶⁹. The importance of Carr's critique of nineteenth-century liberal international thought may lie in his questioning of those doctrines backed by hegemonic power that failed to take account of the 'ever changing reality' of the world in which we live.

⁶⁹ Carr, *Crisis*, p.81.

