

ENDLESS EMPIRE



Spain's Retreat, Europe's Eclipse, America's Decline



Edited by

ALFRED W. MCCOY, JOSEF M. FRADERA,

As the American century of global dominion draws to a close, the signs of geopolitical change are gathering like thunderheads on the horizon. Is the United States poised at the brink of decline? What can the downfall of European empires tell us about America's future as a superpower?

Throughout four millennia of recorded history there has been no end to empire, but instead an endless succession of empires. After five centuries of sustained expansion, the half-dozen European powers that ruled half of humanity collapsed with stunning speed after World War II, creating a hundred emerging nations in Asia and Africa. Amid this imperial transition, the United States became the new global hegemon, dominating this world order with an array of power that closely resembled that of its European predecessors.

As Brazil, Russia, India, China, and the European Union now rise in global influence, twenty leading historians from four continents take a timely look backward and forward to discover patterns of eclipse in past empires that are already shaping a decline in U.S. global power, including:

- erosion of economic and fiscal strength needed for military power on a global scale
- misuse of military power through micro-military misadventures
- breakdown of alliances among major powers
- weakened controls over the subordinate elites critical for any empire's exercise of global power
- insufficient technological innovation to sustain global force projection.

"An exceptionally comprehensive look at empire in a genuinely global context. The scope and sophistication of these essays are unequaled anywhere."

—**Franklin W. Knight**, Johns Hopkins University

"A rich combination of historical expertise, comparative perspective, and engagement with contemporary trends at the outset of the twenty-first century. It should be a foundational text and point of reference for teaching and scholarship on imperial histories and on American power in today's world."

—**John Sidel**, London School of Economics

ALFRED W. MCCOY is the J.W.R. Smail Professor of History at the University of Wisconsin–Madison and author of *Policing America's Empire*. **JOSEPH M. FRADERA** is professor of history at the Universitat Pompeu Fabra in Barcelona, Spain, and author of many books on Spanish colonial history, including *Colonias para después de un imperio*. **STEPHEN JACOBSON** is associate professor of history at Universitat Pompeu Fabra and author of *Catalonia's Advocates*.

UNIVERSITY OF
WISCONSIN
PRESS

uwpress.wisc.edu

Cover illustration: The British imperial lion confronts

\$29.95

ISBN-13 : 978-029929024-5

ISBN-10 : 029929024-7

52995

ENDLESS EMPIRE

*Spain's Retreat, Europe's Eclipse,
America's Decline*

Edited by

Alfred W. McCoy, Josep M. Fradera, Stephen Jacobson

Publication of this book was aided by a grant from the research project
Imperial Transitions, funded by Spain's Ministry of Science and Innovation
(HAR2009-14099-CO2-01).

The University of Wisconsin Press
1930 Monroe Street, 3rd Floor
Madison, Wisconsin 53711-2059
uwpress.wisc.edu

3 Henrietta Street
London WCE 8LU, England
eurospanbookstore.com

Copyright © 2012

The Board of Regents of the University of Wisconsin System
All rights reserved. No part of this publication may be reproduced, stored in a
retrieval system, or transmitted, in any format or by any means, digital, electronic,
mechanical, photocopying, recording, or otherwise, or conveyed via the Internet or
a website without written permission of the University of Wisconsin Press, except
in the case of brief quotations embedded in critical articles and reviews.

Printed in the United States of America

Library of Congress Cataloging-in-Publication Data
Endless empire : Spain's retreat, Europe's eclipse, America's decline / edited by
Alfred W. McCoy, Josep M. Fradera, and Stephen Jacobson.
p. cm.

Includes bibliographical references and index.

ISBN 978-0-299-29024-5 (pbk. : alk. paper) — ISBN 978-0-299-29023-8 (e-book)
1. Imperialism—History. 2. United States—Foreign relations—History. 3. Spain—
Foreign relations—History. 4. Europe—Foreign relations—History. I. McCoy,
Alfred W. II. Fradera, Josep Maria. III. Jacobson, Stephen, PhD.

D32.E54 2012

325'.32—dc23

2012010172

CONTENTS

ACKNOWLEDGMENTS	xi
-----------------	----

PART 1. INTRODUCTION

Fatal Florescence: Europe's Decolonization and America's Decline ALFRED W. MCCOY	3
---	---

PART 2. SPAIN'S LONG IMPERIAL RETREAT

Eclipse and Collapse of the Spanish Empire, 1650–1898 JOSEP M. DELGADO RIBAS	43
---	----

Empires in Retreat: Spain and Portugal after the Napoleonic Wars JOSEP M. FRADERA	55
--	----

Imperial Ambitions in an Era of Decline: Micromilitarism and the Eclipse of the Spanish Empire, 1858–1923 STEPHEN JACOBSON	74
---	----

"The Empire Is No Longer a Social Unit": Declining Imperial Expectations and Transatlantic Crises in Metropolitan Spain, 1859–1909 ALBERT GARCIA BALANÀ	92
---	----

PART 3. IMPERIAL TRANSITIONS IN LATIN AMERICA AND THE PHILIPPINES

Facing South: How Latin America Socialized United States Diplomacy GREG GRANDIN	107
--	-----

“Alliance Imperialism” and Anglo-American Power after 1898: The Origins of Open-Door Internationalism COURTNEY JOHNSON	122
Pro-imperialist Nationalists at the End of Spain’s Caribbean Empire FRANCISCO A. SCARANO	136
Imperial Transition in the Philippines: The Making of a Colonial Discourse about Spanish Rule MARÍA DOLORES ELIZALDE	148
The Broken Image: The Spanish Empire in the United States after 1898 CHRISTOPHER SCHMIDT-NOWARA	160

PART 4. BRITISH GLOBAL DOMINION AND DECLINE

Information and Intelligence in the Mid-Nineteenth-Century Crisis in the British Empire TONY BALLANTYNE	169
The Fin de Siècles of Great Britain and the United States: Comparing Two Declining Phases of Global Capitalist Hegemony KELVIN SANTIAGO-VALLES	182
The Geopolitics of Decolonization JOHN DARWIN	191

PART 5. COMPLEXITIES AND CONTRADICTIONS OF FRENCH DECOLONIZATION

The Absent Empire: The Colonies in French Constitutions EMMANUELLE SAADA	205
When Did Decolonization End? France and the Ending of Empire ROBERT ALDRICH	216
Decolonizing France: L. S. Senghor’s Redemptive Program for African Socialism GARY WILDER	230

PART 6. SUBORDINATE ELITES AND IMPERIAL DECLINE IN SOUTHEAST ASIA

Informal Empire: The Case of Siam and the Middle East GREGORY A. BARTON	247
Scientific Patriotism: Medical Science and National Self-Fashioning in Southeast Asia WARWICK ANDERSON and HANS POLS	262
Decolonization and the Roots of Democracy REMCO RABEN	276

PART 7. IMPERIAL DECLINE AND NATIONAL IDENTITIES

Natives Who Were “Citizens” and Natives Who Were <i>Indígenas</i> in the Portuguese Empire, 1900–1926 CRISTINA NOGUEIRA DA SILVA	295
From Subjecthood to Citizenship in South Asia: Migration, Nationality, and the Post-imperial Global Order JOYA CHATTERJI	306

PART 8. U.S. GLOBAL HEGEMONY

The “Three R’s” and the Making of a New World Order: Reparation, Reconstruction, Relief, and U.S. Policy, 1945–1952 GREG BANKOFF	321
Entangled Empires: The United States and European Imperial Formations in the Mid-Twentieth Century JULIAN GO	334
Cold War Transition: Europe’s Decolonization and Eisenhower’s System of Subordinate Elites BRETT REILLY	344
Imperial Illusions: Information Infrastructure and the Future of U.S. Global Power ALFRED W. MCCOY	360
NOTES	387
CONTRIBUTORS	453
INDEX	457

Informal Empire

The Case of Siam and the Middle East

GREGORY A. BARTON

"THESE HALF-CIVILIZED GOVERNMENTS such as those in China, Portugal, Spanish America all require a dressing every eight or ten years to keep them in order," Lord Palmerston remarked in Parliament. The year was 1850, and these words marked the high noon of British power under the influence of Henry Temple Palmerston. First as foreign secretary (in and out of office) and then as prime minister, Lord Palmerston exerted a great deal of influence on the British approach to informal empire between 1830 and 1865.¹ He laid the foundations for the expansion of the formal and informal empire and reflected the prevailing idea in the mid-Victorian period that Britain stood "at the head of moral, social, and political civilization" with the task to "lead the way and direct the march of other nations." Few doubted in this period that Britain had the role of "world bettering," as he put it.

Under his leadership Latin America, Africa, the Far East, and the Middle East were scenes of mounting British influence. By 1880, Britain's informal empire included much of Latin America, the Ottoman Empire, Egypt, Persia, and China—as well as points in between—a vast swath of the globe larger, in population terms, than its formal empire. Although the precise mix varied, this informal influence was exercised through a combination of naval power, bond loans, local merchants, trade ties, and diplomacy. This informal empire in particular molded the direction of the modern world well into the twentieth century through a system of subordinate elites, and it lasted until the baton of power itself passed to a former possession that some scholars claim Britain once held as an informal empire as well—the United States.²

DEFINITION OF INFORMAL EMPIRE

Opening markets involved opening opportunities for trade, but it also involved changing the nature of elites. Europe globalized the world largely through the

process of imperialism, formal and informal. The argument for using the term *informal empire* as a model for world history is strong: massive investment in a foreign economy; large numbers of settlers or guest workers that run major sections of an economy or produce critical amounts of labor; outside interventions, whether military, diplomatic, or economic; relations between elites that determine the economic, cultural, and political direction of a country; new identities among elite groups that link them to the imperial power. All these factors justify the term. But scholars have defined *informal empire* more in passing than by means of any direct treatment of the subject.

Informal empire means the substance of empire without the form of empire. *Informal empire* almost always refers to relations between nations, including trade, investment, immigration, government and private aid, and cultural exchanges—not always all of these, but almost always one or more. Within these parameters I suggest the following definition of *informal empire*.

Informal empire is a relationship in which a national or regional imperial elite intentionally or unintentionally exercises a dominant influence over the elite formation, identity, and conditions of exchange of the subjected elite in another nation or region with none of the formal structures of empire.

This definition steers clear of setting the perimeters too wide. Neither trade alone, nor cultural exchange, nor immigration or other relations between a more powerful and weaker nation necessarily means informal empire, at least not in the sense that scholars use the term. Rich and poor, powerful and weak are polarities that can exist side by side without dominance by one partner. Yet the above definition is narrow enough to focus on the real issues that historians investigate within informal empire—a dominant influence that permanently alters the substantial characteristics of a subjected nation. It also addresses the need to discuss elites—usually the missing factor in our analysis of the formation of the modern world—and the role they played in the extension of power outside the structures of formal empire.

To understand the “eclipse of empires” much depends on the definition of *empire*, particularly *informal empire*. Power flows through many channels, and this includes development aid, trade, immigration, capital, and cultural influences such as mass media, as well as through formal structures of empire. The British experience preceded and set the pattern for informal empire in the last two centuries and accordingly has much to tell us about the informal empire held by the United States, and how power accumulates and recedes. For instance, while the British failed to establish an informal empire over most of the Middle East after World War II, they had marked success in the Gulf States and shared this power with the United States. In Siam the elites very deliberately worked to minimize

the dominant influence of Britain while remaining dependent on British influence to stave off advances by the French. This is a common response by any secondary power that is incorporated into an informal empire, whether British or American. Examining the “end of empires” through the lens of elite formation and influence may help clarify to what extent—if at all—Britain, the United States, and other European powers have in fact abandoned—or not abandoned—the imperial role.

THE PALMERSTON PROJECT

In Palmerston's era, the Foreign Office used its considerable power to open markets. Britain relied on trade for its livelihood, and most of this commerce was conducted outside of continental Europe, where intervention sometimes seemed a necessary evil. On the continent, liberalism—though it had its adherents—had never been fully embraced by any government, and so Britain looked outward to the world. In 1860 Britain produced 25 percent of all world trade, and 60 percent of this trade came from outside Europe.

With the livelihood of its economy so dependent on international commerce, Britain pursued free trade and opened markets not just to itself but to all, calling it “fair trade,” a veneer of justice that the British found irresistible. If British policy were chained to the “cash nexus,” as Carlyle called it, this same nexus allowed Britain to pursue open markets draped with the virtue of humanitarian concern. When a country opened its markets to Britain, it opened them to the world. When Britain used its influence to open a country to free trade, it helped that country modernize, step into the future, and join a mature body of nations that sought mutual benefits. Force sometimes had to be used. Policing the world to ensure a global market may not have been, and often was not, altruistic, but the mid-Victorians made a strong case that such police activity benefited more than Britain alone.³

Palmerston's diplomacy during the Belgian affair (in which Belgium gained independence in 1830) laid down his three basic operating assumptions, which would appear again and again throughout the following decades. First, the British fleet was of incalculable value for diplomacy. After the Napoleonic Wars the British maintained a small army, but it had the largest navy in the world—larger than the next four naval powers combined. Even if all the naval powers of the world had opposed the British, the British could have cleared the seas of enemy ships at any time in the nineteenth century. This gave the British a powerful reach and the option to blockade, bombard from the sea, level coastal forts, and even topple opposition far inland by sailing up rivers and bays. Thus force guaranteed free trade. Second, British interest was allied to strong, independent, commercially healthy states under the sway of no superpower outside of Britain itself. In 1850 Britain maintained 28 percent of the world's economic output and

25 percent of the market share of all world trade, producing 60 percent of the world's supply of coal, 50 percent of the world supply of iron, and 70 percent of the world's supply of steel. Of its exports, 90 percent were manufactured goods.⁴ Third, necessary wars were never avoided. British interventions in Latin America, the Middle East, the Far East, and Africa illustrate how Palmerston, and even his more peace loving successors, like William Gladstone and Lord Salisbury (Robert Gascoyne-Cecil), utilized these three principles, and interfered whenever necessary to open markets.⁵

Palmerston showed little hesitancy to interfere, and interfere in such a way that makes the term *informal empire* applicable. In defending interference, in this case in Portugal, Palmerston argued that "if by 'interference' is meant intermeddling, and intermeddling in every way, and to every extent, short of actual military force; then I must affirm, that there is nothing in such interference, which the law of nations may not in certain cases permit."⁶ Whatever his view of the law of nations, Palmerston often promoted armed intervention to open markets and create new alliances.

Palmerston laid down a flexible doctrine that enabled Britain to support regimes friendly to British influence and to oppose others. In the turmoil on the continent over Italian independence, Palmerston in 1860 opposed the censures of the king of Sardinia and the annexations that laid the foundation for Italian unity put forth by other European powers. John Russell, the secretary of state under Palmerston, stated in a dispatch to the European powers that "when a people from good reasons take up arms against an oppressor, it is but an act of justice and generosity to assist brave men in the defence of their liberties. . . . Her Majesty's Government will turn their eyes . . . to the gratifying prospect of a people building up the edifice of their liberties, and consolidating the work of their independence."⁷

This proved a handy doctrine for it gave the British government leeway to support any movement of self-determination that was in its interest, while allowing Britain to withhold support from any government or movement that did not fit its interest. To aid or oppose revolution gave Britain one tool among many to shape the political landscape of the world outside of its own formal empire. Palmerston felt that "commerce is the best pioneer of civilization . . . [free trade joined] civilization with one hand and peace with the other," making men "happier, wiser, better." Most important, free trade challenged the traditional land-owning elites of "backward nations" and allowed a new set of people to take over the reins of these societies. When the merchant class gained more money from trade, it took over the reins of government, slowly displacing the old landed elites. Trade meant change, civilization, and republican forms of government. As Canning remarked in 1824, supremely confident of the benefits of trade, "Spanish America is free and if we do not mismanage our affairs sadly, she is English."⁸

Moreover, Britain kept a policy of isolationism toward Europe precisely to avoid a costly war on the continent that would drain men away from productive economic work, force higher taxes, increase the power of continental-style bureaucrats, and transform Britain socially and politically into a mirror image of the continent. Isolationism kept Britain unentangled (except for very particular and temporary occasions) and allowed it to remain both liberal at home and international in scope. Under what conditions, then, did Britain go to war to secure markets? Britain went to war outside of Europe when a particular market in Africa, China, Latin America, or elsewhere was worth the expense. If interventions occurred in Europe, they took place, outside of the Crimean War, in weaker states like Spain, Greece, or Naples to push for constitutional rule. And while new markets were important, Britain intervened most often to maintain old markets. It was when Britain had an economic stake in a region such as China, and the rulers of that region either would not or could not maintain order or conditions of free trade, that Britain intervened.

In 1810, Britain signed a peace treaty with Brazil that gave preferential treatment to British interests. After this Britain intervened often in Latin America between the 1830s and 1860s to remove obstacles to trade, investment, and finance.⁹ When the Spanish colonies rebelled against Spain, Britain was slow to recognize the new governments, but it eventually did recognize the independent republics by signing trade treaties with them. This amounted to holding out the carrot of recognition if the republics met Britain on the ground of open trade and thus opened their economies to British penetration. Britain also played an instrumental role in the creation of Uruguay as a buffer zone between Brazil and Argentina to guarantee open river systems for British trade in the region.¹⁰ Other intrusions to keep trade open occurred frequently up the Río de la Plata, and as far as Mexico. In 1848–49, Britain threatened naval action off the coast of Brazil to stop the trade in slaves. It threatened Peru in 1857 to ensure its compliance for British bondholders, and then against Chile in 1863, among other actions.

In the Levant, the British signed a treaty with the modernizing Muhammad Ali (1805–48) in 1838. This treaty demolished Ali's state monopolies and in consequence forced the Egyptian government to take loans. With the treaty came the "capitulations," which included the right of foreigners to be exempt from Egyptian courts and to be tried by their own European peers. After this, foreigners flooded into Egypt to trade. In 1838, a free trade treaty with Turkey, the Convention of Balta Liman, gave control of customs and tariffs to European powers, eliminated state monopolies, and forced the Ottoman government also to take out foreign loans in order to survive. Foreign traders paid no internal customs duty. A year later Britain intervened to protect Turkey from Muhammad Ali, ruler of Egypt, and also annexed Aden. In 1850, Palmerston established a British version of *Civis Romanus* in the Don Pacifico affair, sending the navy to blockade

the port of Athens in defense of the principle that British citizens anywhere in the world had the right to be tried only by the British. Palmerston also intervened to protect Turkey against Russia in 1853–56, fighting the Crimean War to keep the Ottoman Empire independent and open to British commerce. The British established the Ottoman Bank in London in 1856, and after 1863 renamed it the Imperial Ottoman Bank, which issued that empire's currency. When Benjamin Disraeli purchased the Egyptian Khedive's share in the Suez Canal in 1869, it effectively gave control of that strategic waterway to Britain. After Egypt went bankrupt in 1876 (a year after Ottoman government went bankrupt), Britain and other European powers took control of the finances of the Egyptian government to oversee the repayment of debts to bondholders. When this proved insufficient, Britain occupied Egypt militarily in 1882.

Between 1840 and 1860, the British campaigned against the slave trade in Africa. This in turn increased trade and missions, particularly in Niger, Dahomey, Abyssinia, and Zanzibar. Palmerston called the slave trade a "foul and detestable crime," thus conferring the mantle of absolute virtue on its opponents. Slave treaties, he said, "are indirectly treaties for the encouragement of commerce." Private expeditions were supported by the government into Niger in 1841 and 1857, Dahomey in 1850, and Lagos in 1851 (which the British annexed in 1861), in addition to numerous military interventions against the slave trade. All this did not mean that Britain wanted formal colonies in the region. Indeed, Palmerston turned down opportunities for the colonization of Abyssinia in the 1840s and the occupation of Egypt in 1859. Of Abyssinia, Palmerston said, "All we want is trade and land is not necessary for trade; we can carry on commerce very well on ground belonging to other people."¹¹ Only when other European powers, particularly Germany, threatened this commerce with formal annexations did Britain join a scramble for formal colonies in the sub-Sahara.¹²

Despite this busy schedule, the British also found time to intervene in the Far East. The Opium War of 1839–42 ended with the Treaty of Nanking, which gave Britain Hong Kong and opened five "treaty ports" with special trading concessions and extraterritoriality for foreigners. Along the China coast, the French and British intervened repeatedly in 1847, 1856, and 1860. In 1863, Robert Hart, an Englishman, governed the Chinese Imperial Maritime Customs and used its revenues to repay loans from Western banks. Soon afterward the British took over the local salt administration. Palmerston, as well as his immediate successors, played a key role in these global interventions. The question of informal empire hinges on such interventions, and the economic penetrations that occurred because of them.

Palmerston sought the prosperity of Britain through trade but also had far-reaching ambitions to change the nature of Britain's trading partners—in Lord Canning's famous phrase, to "make them English." Palmerston combined force,

diplomacy, and trade to create a large informal empire of influence that paralleled and even surpassed the influence of Britain's growing formal empire. At his death in 1865, much of the modern world had been cast in the mold that Palmerston advocated—a world where constitutional government commanded the greatest respect, free trade defined the economic relationship between countries, and a new business and professional elite acted like a solvent against traditional culture-cum-economic life and helped usher in the globalized world that we understand today. He also launched Britain on a path that led to resentment from those so forced into a modern mold.

But as the Industrial Revolution continued to evolve in European countries, Britain saw its relative—if not absolute—economic power slipping. Palmerston observed, "The rivalry of European manufacturers is fast excluding our productions from the markets of Europe and we must unremittingly endeavor to find in other parts of the world new vents for the produce of our industry." Interestingly, he goes on to mention both the Middle East and the Far East as potential partners in commerce, areas where he had initiated many interventions.¹³

We see, in the Palmerston era at least, a desire of the elites of one nation, in this case Britain, to alter the conditions of exchange that foster elite formation in other countries. We see also—in fits, starts, and even reversals—a discernible intentionality of purpose. Although such intentionality does not prove that Britain succeeded in its purpose of constructing a durable informal empire in the nineteenth and twentieth centuries, it was a step in that direction.

In addition, comparisons between a mammoth Victorian British informal empire and an even larger twentieth-century American informal empire have topical urgency—especially when informal empire projects a form of enlightened globalism under the rubric of democratic and libertarian principles. What follows are two brief case studies in which British officials attempted to establish an informal empire based on the formation of Western-oriented elites. One led to success, the other to failure. Both are instructive of how the formation of subordinate elites provides the key to tracing the influence of power, and of informal empire in particular.

SIAM AND ELITES, 1888 TO 1932

In the late nineteenth century, Siam, a nominally independent kingdom, remained at the edge of the southeastern flank of the Indian empire and the western edge of French Indochina. In the 1880s and 1890s, British Foreign Office officials were trying to create a "buffer state" in Siam that would keep the French in Indochina from bordering directly on India.¹⁴ The Foreign Office and India Office wanted to keep Siam nominally independent so that the British—who dominated Siam's finance, trade, and shipping—could maintain an informal empire without the burdens and costs of running Siam directly, or of waging war with France.¹⁵

Historians studying Britain's relationship with Siam have debated vigorously whether Siam was part of Britain's "informal empire."¹⁶ Robinson and Gallagher first brought the term into wide use in their classic article "The Imperialism of Free Trade," published in the *Economic History Review* in 1953. Following their model, Anthony Webster, in *Gentlemen Capitalists: British Imperialism in South-east Asia, 1770–1890*, argued that Britain maintained an informal empire in South-east Asia through finance and trading companies. While other scholars, such as Ian Brown, disagree that this control constituted imperialism, Webster's work lays out a broad outline of influence in the formation of Siam's economy by British capital. Many other scholars, such as David Wyatt, Nicholas Tarling, and Michael Vickery, have traced the Siamese turn toward Britain as an attempt to resist French encroachment. All accounts agree that the Bangkok elites used Britain to develop a Western-style military, court system, and professional bureaucracy. Vickery in particular traces how the Bangkok monarchy utilized a British model of administration to replace local and regional elites with royal commissioners to modernize the state and bring in new revenue. Given the definition of *informal empire* discussed above, Siam provides a revealing example of British informal empire's alliances with subordinate elites that lasted from the late nineteenth century until World War II.¹⁷

Britain's informal empire in Siam is usually dated to King Mongkut's signing of the Bowring Treaty in 1855, which gave British subjects extraterritorial privileges in parts of the Kingdom of Siam. In his famous metaphor—"to swim upriver and make friends with the crocodile [the French] or to swim out to the sea and hang on to the whale [the British]"—King Mongkut illustrates how Siam's elites chose to swim with the whale for nearly a century after 1855, making the country, as Paul Ktratoska and Ben Batson concluded, "in some degree . . . a part of Britain's informal empire, in which British interests, particularly economic, predominated without the exercise of formal sovereignty."¹⁸

British consuls, merchants, and advisers took actions that allowed British firms to dominate the teak industry in northern Siam, created British consular courts, gave British officials representation on the international court in the northern city Chiangmai, and enabled the Foreign Office to influence Royal Forest Department policies and negotiations. Although the Bangkok monarchy and ministries had their own internal policies toward northern Siam, they consistently required British capital and power to achieve unification from the 1870s to the 1890s, the critical period when Chulalongkorn and his government integrated the diffuse vassalage surrounding the Kingdom of Siam into a centralized nation-state centered in Bangkok.

Informal empire functioned through networks of collaboration.¹⁹ The Foreign Office used British timber merchants to help control a sensitive region bordering on British Burma and French Indochina. British timber merchants, notably the

Bombay Burmah Trading Corporation (BBTC), sought to protect profits by keeping out French and other foreign competitors. In turn, King Chulalongkorn and his coterie of ministers used British pressure in northern Siam to increase Bangkok's control over the region. Chulalongkorn used Western ideas of governance and economics to assert his own power while maintaining Siam's formal independence. Despite modernization, Chulalongkorn, his ministers, and the northern chiefs feared that Britain or France might annex northern Siam. This fear of annexation is one of the main reasons why Chulalongkorn initially allowed British trading firms to dominate teak leases in the 1890s and early 1900s. Britain's domination of these concessions in northern Siam also helped Bangkok gain more control over the north, a process akin to an internal colonization.²⁰ Economic factors, such as the large capital reserves held by the BBTC and the Borneo Company, help explain the dominance of British trading firms in Siam, but these economic factors must be viewed in light of the Foreign Office's purposeful strategic and political actions to install British businesses combined with Chulalongkorn's fear of annexation.²¹

The Kingdom of Siam remained as the last bastion of the laissez-faire ideal of forestry in the 1890s. Under the protective gaze of the Indian empire and the Foreign Office, British timber merchants rapidly moved into the Siamese timber market during the late 1880s and early 1890s. Northern Thai aristocrats controlled northern Siam and its vast teak forests. These local leaders paid vassalage and taxes to the monarchy in Bangkok. With no formal regulations for leasing in place, the aristocrats and foreign leaseholders of teak forests often feuded over the legality of teak claims in the region. Because of these fights the British Foreign Office created extraterritorial courts in northern Siam during the early 1880s to protect the rights of Burmese and Indian subjects who worked in the forests.²² Powerful British timber corporations, which had little or no hand in the creation of consular courts in 1882–83, eventually sought to exploit these extraterritorial privileges. The first British company to take advantage of them and enter into the teak trade in Siam was the Borneo Company.

After scouting the northern forests in 1884, the BBTC followed in the wake of the Borneo Company and started purchasing teak in Siam beginning in the late 1880s.²³ The BBTC began buying teak from preexisting leaseholders and picked up leases as quickly as it could during the 1890s. Both the BBTC and the Borneo Company began lobbying the Foreign Office to protect their holdings because of their increasing interest in Siamese teak. They first lobbied for protection when France blockaded Bangkok over supposed grievances in eastern Siam during the French crisis of 1893. The Foreign Office assiduously replied to the letters of the BBTC and Borneo Company, guaranteeing the protection of British businesses.²⁴ It also promised that the Royal Navy would protect British businesses if problems arose.

British firms continued to dominate the teak trade after 1901. Moreover, British foresters W. F. L. Tottenham (1901–4) and W. F. Lloyd (1904–25) served as the chief conservators until the mid-1920s. During the first decade of the twentieth century, the Foreign Office reflected happily on the British monopoly over the teak trade. In 1905, Ralph Paget, who served as the Foreign Office chargé d'affaires in Siam, assured Lord Lansdowne, the foreign secretary, that Britain dominated the teak trade in Siam: "As it is scarcely worth while to take into consideration the small forests owned by the East Asiatic Company [out of Denmark], it may practically be said that the whole of the teak trade in north of Siam is now controlled by British Companies."²⁵ Accordingly, British firms signed new thirty-year leases on teak forests in 1909.²⁶ Until World War II and the rise of Thai nationalization in the late 1940s and 1950s, the only serious rival to the BBTC was the Borneo Company.²⁷ It was no accident that the BBTC and other British firms came to dominate the teak trade for much of the twentieth century; it was part of a conscious attempt by the Foreign Office to use British companies headed by well-known gentlemen capitalists to dominate the teak trade and keep France away from the borders of Burma and India.

The example of Siam shows that throughout the early part of the twentieth century, the British special relationship with Siam enabled Bangkok elites, particularly those surrounding the monarchy, to extend control over the vast territories of the north and transform a loose, traditional feudal relationship with local aristocrats and petty princes into a unified modern state. In effect, the British expanded and sustained the elites of Siam throughout this period. While forestry policy and the teak trade played a central part in the formation of elites in Siam, broader influences, not the subject of this essay, were at work as well.

THE MIDDLE EAST AND ELITES, 1946 TO 1960

After World War II, Britain attempted to create an informal empire in the Middle East and used the British Middle East Office to sponsor development work precisely to attain significant influence that would salvage a fair share of its previous imperial power.²⁸ It had a long history of intervention in the region, and the resentment against British power played a role in the failure to attract and retain subordinate elites in the Middle East during postwar decades.

The Convention of Balta Liman (1838) gave control of customs and tariffs to European powers, eliminated state monopolies, and forced the Ottoman government to take out foreign loans to survive. Britain went on to purchase the Egyptian Khedive's share in the Suez Canal in 1869 and then occupied Egypt militarily in 1882. Continuing this long history of dominion, Britain used a number of administrative instruments to govern the Middle East in the years surrounding World War II. The Anglo-Iraqi Treaty (1930) and Anglo-Egyptian Treaty (1936) gave the peoples of the Middle East "a modicum of independence."²⁹ But by war's

end, Britain had brought much of the region under outright military occupation. Aden and Cyprus were Crown colonies. The British controlled the flow of oil from Iran through the Anglo-Iranian Oil Company. Somaliland, Qatar, and Kuwait were British protectorates, while Transjordan and Palestine were under a British mandate. The Anglo-Egyptian condominium over the Sudan, created in 1899, was still operative. The war, however, had drained substantial resources from the British economy, and public opinion, as well as the Treasury, increasingly balked at the idea of sacrificing domestic social programs to retain vast colonial possessions in the face of mounting nationalist resistance. But giving up control over this strategically important region did not prove easy.

World War II and the tide of rising nationalism changed the imperial picture forever. While Winston Churchill certainly accused the Labour Party of scuttling the British Empire after the war, Roger Louis points out that Labour attempted to build a replacement for the loss of India and other areas with an informal empire of influence in the Middle East and Africa. F. S. Northedge has described Foreign Office personnel as certain that Britain's old position in the Middle East would sooner or later be restored to its former role. Arabs, Iranians, and even Jews would get used to the idea that Britain, by reason of its long experience, was the natural agency to govern them, to define their various needs, including defense, and to guide them on their way to prosperity and security.³⁰

While London sponsored the British Middle East Office (BMEO) to gain influence through development initiatives, it is also true that an informal empire did not ensue. The British attempted to use appointments of their personnel in important government and private positions as a "mechanism of control." Informal empire failed in the Middle East because "the right sort" of appointments did not occur, and thus the British failed to form and sustain a new elite in this region after World War II.

There were numerous reasons for this failure. The push for British personnel went against a natural local resistance to give up authority.³¹ Collaborating elites in the region had their own agendas and often played the Soviet Union, United Kingdom, and United States against each other. The freshly decolonized countries in the region had no intention of being absorbed by any one of them, and national leaders used the competitive spirit of the Cold War to increase both economic and military support. Nationalism, surging through the territories held by the colonial powers, strongly affected the countries of the Middle East and posed severe challenges to the British and Americans (to say nothing of the French) in the region. Nationalism was a tide that could not be entirely stayed by reestablishing the shah of Iran after the reign of Prime Minister Mohammed Mosaddegh, nor by diplomatically isolating Gamal Abdel Nasser as a new Hitler. Nationalists expressed a certainty of British malfeasance that proved impossible to override with development aid alone. Mosaddegh's attitude toward the British

was shared widely in the region when he said, "You do not know how crafty they are. You do not know how evil they are. You do not know how they sully everything they touch."³²

Officials at the Foreign Office and BMEO attempted to set up broad-based programs in the Middle East to develop its economic resources, which in turn would add political stability to a region where the British wished to protect their prestige and influence. The interests of the Soviet Union in the Middle East and the critical supply of oil to Western Europe gave added urgency to these development plans. Caught between virulent nationalism and American anticolonialism, Britain had few possibilities for maintaining its own influence in the region. A development agenda seemed like an obvious choice. A succession of prime ministers—Clement Attlee, Ernest Bevin, and then Anthony Eden—saw every reason for British success in a region that lacked money and experts but held large reserves of oil and a strategic position in the world.³³

The British did not succeed in establishing an informal empire in the region through development initiatives because they failed to recruit subordinate elites. They had based their hopes for influence on getting "the right sort" placed close to the centers of power. That meant British personnel running the Anglo-Persian Oil Company in Abadan, and it also meant placing administrators in key posts within government ministries.³⁴ The influence of the BMEO never rivaled that of the wartime occupation or approached the level of imperial power. In marked contrast to Washington, London simply did not answer expectations with ready loans and hefty direct aid. British influence in the region was reduced to a handful of experts resisting the receding tide of influence—in vain after the Suez Crisis in 1956.

The Suez Crisis marked the end of significant British influence in the region. Without Washington's backing, Britain, France, and Israel attempted to seize the Suez Canal back from Egypt on October 29, 1956, in response to President Nasser's wildly popular proclamation that Egypt intended to nationalize this strategic waterway, still owned by an Anglo-French corporation. The British had eighty thousand troops garrisoned at Suez, and military facilities around the region, particularly in Aden. In the first phase of a combined offensive by three hundred thousand allied forces, the Israeli army swept across nearby Sinai and halted just ten miles from the canal on November 2, destroying the Egyptian defenders. Just three days later, French and British airborne and amphibious forces, backed by overwhelming air support from an armada of six aircraft carriers, landed near Port Said and quickly occupied key choke points along the canal. As his army collapsed with some three thousand dead and over thirty thousand captured, Nasser responded to the bombing attacks by sinking forty ships under Egyptian control in the canal, effectively closing it to shipping.

Condemnation by the United States, and a draft resolution of the United Nations Security Council denouncing the invasion, soon turned military victory

into diplomatic defeat, making occupation of the canal untenable. International diplomatic pressure, the threat of economic retaliation, and a crisis in foreign exchange reserves the week before the invasion led Harold Macmillan, the British chancellor of the exchequer, to inform Prime Minister Eden that the artificial exchange rate set for the pound sterling could not be held. Given American opposition to the Suez invasion, and in need of further cooperation with the United States as a key ally, the British called off the invasion, accepted a cease-fire in November, and withdrew all of their troops a month later.

The British suffered a massive loss of prestige in the area. The Suez Crisis did not strategically dissolve British power or economic clout. But the loss of prestige led to a hardening of the resolve of elites in the Middle East, indeed around the British Empire, to resist further British influence. This denouement demonstrates how relationships with subordinate elites provide the key to informal empire. When relationships between elites dissolve, so, too, does informal empire.



Egyptian President Gamal Abdel Nasser greets a cheering crowd in Cairo after announcing the nationalization of the Suez Canal, August 1956. (Central Intelligence Agency)

The British vastly overestimated the degree to which Middle Eastern governments would defer to their judgment and advice, even on seemingly neutral matters. In this tense atmosphere, Britain, the United States, the Soviet Union, and Arab nationalists were jockeying for power, and the attempt to transplant an ambitious development program directly from the imperial nursery was a surprising development. But while development reforms, advocated by London, were a "mechanism of control" that did help Britain to influence events in the region, they did not, as Roger Louis points out, achieve a dominant role: in the end, the British lacked the money, and the Arabs (and Iranians) lacked the patience. Citizens of the region wanted to run their own affairs and assumed that the "right sort" were born and bred in the Middle East.

In contrast to its generalized failure across the wider Middle East, Britain did hang on successfully in the Persian Gulf, drawing on its long history of informal empire over these small sheikhdoms to achieve the grand aims that failed elsewhere in the region. After decades of episodic naval operations along this "pirate coast," the British had signed a General Treaty with local sheiks in 1820, seeking security for the East India Company's shipping and an end to the slave trade. Starting in the Palmerston era, the British consolidated their control over the gulf, first under a Perpetual Treaty of Maritime Peace in 1853, enforced by the Royal Navy's Gulf Squadron, and later under a protectorate agreement of 1892. The long British presence suppressed piracy and maintained stability in an imperial backwater whose main export was, for several centuries, natural pearls.³⁵ After the discovery of oil in Bahrain in 1931, two British firms, the Anglo-Persian Oil Company and its affiliate, the Iraq Petroleum Company, dominated drilling in the gulf, developing the rich oil and gas resources that eventually brought extraordinary wealth to this arid, impoverished coast.³⁶ In 1952, following a century of such indirect rule, the British presided over confederation of the gulf's sheikhdoms into the Trucial Council, the direct precursor of the United Arab Emirates (UAE). Two years later, after Iran's Mosaddegh government nationalized Anglo-Persian Oil and its massive Abadan refinery at the north end of the gulf, the company reincorporated as British Petroleum (BP) and remained an active player among the sheikhdoms along the gulf's oil-rich southern shores.³⁷

In 1968, the British announced their withdrawal and three years later presided over independence for Bahrain, Qatar, and the seven sheikhdoms of the Trucial Council, now called the United Arab Emirates. At independence in 1971, the British turned over their colonial constabulary, the Trucial Oman Scouts, which became the basis of the Union Defence Force (UAE), and gave up the Royal Navy base at Bahrain, which was occupied by the U.S. Navy.³⁸ For the next two decades, Britain trained many UAE officers at Sandhurst and remained a major source of defense support until the 1991 Gulf War, which Washington fought to secure another of these oil-rich sheikhdoms, Kuwait. That conflict

served as the final act in this long imperial transition, and thereafter the United States became the preeminent power in the gulf, establishing the Fifth Fleet there in 1995 as a naval patrol force with headquarters at Bahrain.³⁹

Whether voluntarily or involuntarily, London was gradually forced to give way to Washington throughout the Middle East. The United States, in marked contrast to Britain, had ample resources with which to build alliances with emergent elites through economic and military aid. Despite this seeming rupture in informal empire, American policy after the Suez Crisis quickly took a form quite similar to the role once held by Britain. Across the Middle East, the United States cultivated Arab autocrats, whether monarchs or military, as reliable subordinate elites and built an effective mechanism of control that would persist for another half century.

CONCLUSION

Just as officials used a colonial environmental discourse in the nineteenth and early twentieth centuries to construct imperial power in Siam, so, too, we see in a largely postcolonial setting the use of both development aid and environmental initiatives to replace at least some of the influence lost after the collapse of formal empire. In the case of Siam, informal empire succeeded because the British played a dominant role in the formation of the Bangkok elite in a newly emerging, unified modern state. In the Middle East after World War II, the British—although they had played a large role in elite formation in this region in the past—no longer had the cooperation of elites and could not form or sustain new elites that had other alliances to consider with countries such as the United States, were inspired by a rising tide of nationalism, and were backed by newfound oil money. Informal empire failed in this second instance precisely because an imperial elite failed to play a formative role with elites in the Middle East, as it had, earlier in the century, in Siam.

The examples of Siam and the Middle East are two slivers of the "Palmerston project," the first successful, the second a failure. The two examples help illustrate the importance of defining *informal empire* as a relationship in which a national or regional imperial elite intentionally or unintentionally exercises a dominant influence over the elite formation, identity, and conditions of exchange of the subjected elite in another nation or region with none of the formal structures of empire. This definition provides a "mechanism of control" that cuts to the most important issues of power and influence. The mechanisms can vary, but one constant remains. Informal empire is about elites in an imperial power that substantially alter elite behavior in another setting. The British experience accordingly has much to tell us about informal empire with the United States, as well as about how imperial power is built and how it is lost in the eclipse of empires.

CONTRIBUTORS

ROBERT ALDRICH is professor of European history at the University of Sydney, author of *Vestiges of the Colonial Empire in France: Monuments, Museums, and Colonial Memories* (2005), which was published in an expanded and updated French edition as *Les Traces coloniales dans le paysage français* (2011), and editor of *The Age of Empires* (2007).

WARWICK ANDERSON is an ARC Laureate Fellow and Professor in the Department of History and Centre for Values, Ethics, and the Law in Medicine at the University of Sydney. He is author of *Colonial Pathologies: American Tropical Medicine, Race, and Hygiene in the Philippines* (2006).

TONY BALLANTYNE is professor of history at the University of Otago and author of *Between Colonialism and Diaspora: Sikh Cultural Formations in an Imperial World* (2006).

GREG BANKOFF is professor of modern history at the University of Hull and author of *Flammable Cities: Urban Fire and the Making of the Modern World* (with Uwe Luebken and Jordan Sand, 2012), *A History of Natural Resources in Asia: The Wealth of Nature* (with Peter Boomgaard, 2007), and *Breeds of Empire: The "Invention" of the Horse in Maritime Southeast Asia and Southern Africa, 1500–1950* (with Sandra Swart, 2007).

GREGORY A. BARTON is research fellow in the Research School of Social Sciences at the Australian National University and author of *Lord Palmerston and the Empire of Trade* (with Peter Sterns, 2009). He is editor-in-chief of the journal *Britain and the World* (Edinburgh University Press) and the book series *Britain and the World* (Palgrave Macmillan).

JOYA CHATTERJI is reader in modern South Asian history at the University of Cambridge, fellow of Trinity College, and author of *Bengal Divided: Hindu Communalism and Partition* (2002) and *The Spoils of Partition* (2007).

JOHN DARWIN teaches imperial and global history at Oxford University where he is a fellow of Nuffield College. His recent publications include *After Tamerlane: The Rise and Fall of Global Empires, 1400–2000* (2008), which won the Wolfson Prize in History, and *The Empire Project: The Rise and Fall of the British World System, 1830–1970* (2009), which won the Trevor Reese Prize.

CRISTINA NOGUEIRA DA SILVA is professor of the history of law at the Universidade Nova de Lisboa and author of *Constitucionalismo e Império: A cidadania no Ultramar português* (2009).

JOSEP M. DELGADO RIBAS is professor of history at the Universitat Pompeu Fabra (Barcelona) and author of *Dinámicas imperiales (1650–1796): España, América y Europa en el cambio institucional del sistema colonial español* (2007).

MARÍA DOLORES ELIZALDE is scientific researcher at the Consejo Superior de Investigaciones Científicas (Spain) and editor of *Las relaciones entre España y Filipinas* (2003), *Repensar Filipinas: Política, Identidad, Religión* (2009), and *Filipinas, un país entre dos imperios* (2011).

JOSEP M. FRADERA is professor of history at the Universitat Pompeu Fabra (Barcelona) and author of *Gobernar colonias* (1999) and *Colonias para después de un imperio* (2009).

ALBERT GARCIA BALANÀ is associate professor of modern and contemporary history at Universitat Pompeu Fabra (Barcelona) and author of *La fabricació de la fàbrica: Treball i política a la Catalunya cotonera (1784–1874)* (2004).

JULIAN GO is associate professor of sociology at Boston University and author of *Patterns of Empire: The British and American Empires, 1688–Present* (2011).

GREG GRANDIN is professor of history at New York University and a member of the American Academy of Arts and Sciences. He is author of *Fordlandia* (2009), a finalist for the Pulitzer Prize, the National Book Award, and the National Book Critics Circle Award.

STEPHEN JACOBSON is associate professor of history at the Universitat Pompeu Fabra (Barcelona) and author of *Catalonia's Advocates: Lawyers, Society, and Politics in Barcelona, 1759–1900* (2009).

COURTNEY JOHNSON is research fellow at the Consejo Superior de Investigaciones Científicas (Spain) and author of *Imperial Vernacular: The Paradox of Hispanism in the Age of Empire* (forthcoming).

ALFRED W. MCCOY is the J. R. W. Smail Professor of History at the University of Wisconsin–Madison. His recent publications include *Policing America's Empire: The United States, the Philippines, and the Rise of the Surveillance State* (2009), which won the George Kahin Prize, and *Torture and Impunity: The U.S. Doctrine of Coercive Interrogation* (2012).

HANS POLS is associate professor of history and philosophy of science at the University of Sydney and studies the history of medicine in the Dutch East Indies.

REMCO RABEN teaches Asian and colonial history at Utrecht University, the Netherlands, and is author of *Being "Dutch" in the Indies: A History of Creolisation and Empire, 1500–1920* (with Ulbe Bosma, 2008) and *Representing the Japanese Occupation of Indonesia: Personal Testimonies and Public Images in Indonesia, Japan, and the Netherlands* (2000).

BRETT REILLY is a doctoral student at the University of Wisconsin–Madison specializing in the study of Vietnam and U.S. diplomatic history in Asia.

EMMANUELLE SAADA is associate professor of French and history at Columbia University and author of *Empire's Children: Race, Filiation and Citizenship in the French Colonies* (2012).

KELVIN SANTIAGO-VALLES is associate professor of sociology at Binghamton University–State University of New York and author of *"Subject People" and Colonial Discourses: Economic Transformation and Social Disorder in Puerto Rico, 1898–1947* (1994).

FRANCISCO A. SCARANO is professor of history at the University of Wisconsin–Madison and editor, with Stephan Palmié, of *The Caribbean: A History of the Region and Its Peoples*.