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# Informal Empire: The Origin and Significance of a Key Term

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*Ever since the publication of “The Imperialism of Free Trade” by John Gallagher and Ronald Robinson in 1953, “informal empire” has been a key term for historians. It has, however, always been contentious. The central issue was whether imperial historians were prepared to accept a new concept of empire. This article explains the paradox of informal empire by creating a stronger provenance for the term. Since the early nineteenth century, imperial metaphors have been used to characterize Britain’s position in the world economy. Gallagher and Robinson—like their immediate predecessors, Charles Fay and Keith Hancock—wanted to understand British imperialism in the broader context of European expansion while also formulating an alternative to the radical liberal and neo-Marxist interpretations widely current after World War I. Ultimately, the difficulty of using “empire” as a single category led Gallagher and one of his most influential successors to choose an alternative term.*

The earth was made for Dombey and Son to trade in, and the sun and moon were made to give them light. Rivers and seas were formed to float their ships; rainbows gave them promise of fair weather; winds blew for or against their enterprises; stars and planets circled in their orbits, to preserve inviolate a system of which they were the centre. Common abbreviations took new meanings in his eyes, and had sole reference to them. A.D. had no concern with anno Domini, but stood for anno Dombei—and Son.

Charles Dickens, *Dombey and Son* (London, 1848), 2

A merchant, it has been said very properly, is not necessarily the citizen of any particular country.

Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (1786), ed. R. H Campbell, Andrew S. Skinner, and William B. Todd (Oxford, 1976), Bk. 3, Ch. 4, para. 24, 426

It is impossible to overstate the influence of two scholars, John Gallagher (1919–80) and Ronald Robinson (1920–99), on the historiography of British imperialism. In a single short article published in 1953 they proposed an entirely new way of thinking

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about the nature, scope, and dynamics of imperial expansion.<sup>1</sup> At its core was an argument about “informal empire,” the notion that British political influence—sometimes to the point of control—was felt in places where there was no formal British sovereignty. In 2001, William Roger Louis, the editor in chief of the *Oxford History of the British Empire* (1998–99), suggested that “The Imperialism of Free Trade” was “reputedly the most cited historical article ever published.”<sup>2</sup> Just over a decade later, the distinguished imperial and global historian John Darwin maintained, “Gallagher and Robinson’s brilliant historical insights remain the point of departure for most serious work on the history of empire.”<sup>3</sup> In fact, a new generation of scholars inspired particularly by postcolonial and cultural studies had already challenged precisely this view of what constituted “serious work on the history of empire.”<sup>4</sup> Yet, despite this, Gallagher and Robinson’s ideas are arguably as influential as they have ever been.<sup>5</sup> Informal empire itself is still a

<sup>1</sup>John Gallagher and Ronald Robinson, “The Imperialism of Free Trade,” *Economic History Review*, 2nd series 6/1 (1953), 1–15. This essay was reworked and amplified in the first chapter of Ronald Robinson and John Gallagher, with Alice Denny, *Africa and the Victorians: The Official Mind of Imperialism* (London, 1961). Robinson elaborated the argument, including the complementary concept of collaboration, which made both formal and informal empire operational, in two essays: “Non-European Foundations of European Imperialism: Sketch for a Theory of Collaboration,” in Roger Owen and Bob Sutcliffe, eds., *Studies in the Theory of Imperialism* (Harlow, 1972), 117–40; and “The Excentric Idea of Imperialism, with or without Empire,” in Wolfgang J. Mommsen and Jürgen Osterhammel, eds., *Imperialism and After: Continuities and Discontinuities* (London, 1986), 267–89. Also important is Ronald Robinson, “Oxford in Imperial Historiography,” in Frederick Madden and D. K. Fieldhouse, eds., *Oxford and the Idea of Commonwealth: Essays Presented to Sir Edgar Williams* (London, 1982), 30–48. Gallagher’s mature thoughts, albeit brief, can be found in the posthumous John Gallagher, *The Decline, Revival and Fall of the British Empire: The Ford Lectures and Other Essays*, ed. Anil Seal (Cambridge, 1982).

<sup>2</sup>Wm Roger Louis, “Historians I Have Known,” *Perspectives* 39/5 (2001), at [www.historians.org/publications-and-directories/perspectives-on-history/may-2001/historians-i-have-known](http://www.historians.org/publications-and-directories/perspectives-on-history/may-2001/historians-i-have-known), accessed 5 Aug. 2022.

<sup>3</sup>John Darwin, *Unfinished Empire: The Global Expansion of Britain* (London, 2012), 12. For other assessments see Wm Roger Louis, “Introduction,” in Robin W. Winks, ed., *The Oxford History of the British Empire*, vol. 5 (Oxford, 1999), 1–42; Michael Bentley, *Modernizing England’s Past: English Historiography in the Age of Modernism, 1870–1970* (Cambridge, 2005), 90–91; Ronald Hyam, *Understanding the British Empire* (Cambridge, 2010), 520.

<sup>4</sup>For introductions to what came to be known as the “new” and avowedly post-Gallagher and Robinson imperial history see Catherine Hall, “Introduction: Thinking the Postcolonial, Thinking the Empire,” in Hall, ed., *Cultures of Empire: A Reader. Colonizers in Britain and the Empire in the Nineteenth and Twentieth Centuries* (Manchester, 2000), 1–33; Kathleen Wilson, “Introduction: Histories, Empires, Modernities,” in Wilson, ed., *A New Imperial History: Culture, Identity, and Modernity in Britain and the Empire, 1660–1840* (Cambridge, 2004), 1–26; Tony Ballantyne, “Colonial Knowledge,” in Sarah Stockwell, ed., *The British Empire: Themes and Perspectives* (Malden, MA and Oxford, 2008), 177–97; Durba Ghosh, “Another Set of Imperial Turns?,” *American Historical Review* 117/3 (2012), 772–93. For subaltern studies, originally partly a response to Gallagher and Robinson’s influence on the historiography of Indian nationalism as represented by the “Cambridge school,” see Ranajit Guha, “On Some Aspects of the Historiography of Colonial India,” in Guha, ed., *Subaltern Studies I: Writings on South Asian History and Society* (Delhi, 1982), 1–8; Vinayak Chaturvedi, “Introduction,” in Chaturvedi, ed., *Mapping Subaltern Studies and the Postcolonial* (London, 2000), vii–xix.

<sup>5</sup>For major global and imperial histories published since 2000, excluding Darwin’s own work cited elsewhere, see C. A. Bayly, *The Birth of the Modern World, 1780–1914: Global Connections and Comparisons* (Malden, MA and Oxford, 2004), 137; Philippa Levine, *The British Empire: Sunrise to Sunset* (Harlow, 2007), 83, 88–9; Jane Burbank and Frederick Cooper, *Empires in World History: Power and the Politics of Difference* (Princeton and Oxford, 2011), 293–4, 306, 437, 452; Jürgen Osterhammel, *The*

key term.<sup>6</sup> Even Andrew Thompson, a successor of Darwin at Oxford, who once concluded that “Britain’s ‘informal empire’ in Argentina is in essence a myth,” has conceded more recently, “half a century after it was first elaborated, informal empire is still worth debating.”<sup>7</sup>

Thompson’s first thoughts are nevertheless a reminder that the consensus about Gallagher and Robinson has never been complete, notably even among the contributors to the *Oxford History*, which is commonly regarded as a high-water mark of their “dominant influence.”<sup>8</sup> Apart from D. C. M. Platt’s famous frontal assault on the very notion of a mid-Victorian “imperialism of free trade,”<sup>9</sup> many found it impossible to accept Gallagher and Robinson’s core propositions, particularly where settler societies in either the formal empire or Latin America were concerned. Notably, while praising Gallagher and Robinson’s “decisive and very positive impact,” the Canadian scholar Phillip Buckner also suggested that in some respects “their influence was more questionable, perhaps even pernicious.”<sup>10</sup> The legacy of these controversies is a vast and sometimes baffling literature.<sup>11</sup> There is also a remarkable paradox: the persistence of a key term whose usefulness and precise

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*Transformation of the World: A Global History of the Nineteenth Century*, trans. Patrick Camillier (Princeton and Oxford, 2014), 455; P. J. Cain and A. G. Hopkins, *British Imperialism: 1688–2015*, 3rd edn (London and New York, 2016), 35–36; A. G. Hopkins, *American Empire: A Global History* (Princeton and Oxford) 2018), 22–3; David Todd, *A Velvet Empire: French Informal Imperialism in the Nineteenth Century* (Princeton and Oxford, 2021), 1–4.

<sup>6</sup>For four recent essays see Ben Markham, “The Challenge to ‘Informal’ Empire: Argentina, Chile and British Policy-Makers in the Immediate Aftermath of the First World War,” *Journal of Imperial and Commonwealth History* 45/3 (2017), 449–74; Mark Hayman, “Economic Protectorate in Britain’s Informal Empire: The Trucial Coast during the Second World War,” *Journal of Imperial and Commonwealth History* 46/2 (2018), 323–44; Lane J. Harris, “Stumbling towards Empire: The Shanghai Local Post Office, the Transnational British Community and Informal Empire in China, 1863–97,” *Journal of Imperial and Commonwealth History* 46/3 (2018), 418–45; and Deborah Cohen, “Love and Money in the Informal Empire: The British in Argentina, 1830–1930,” *Past and Present* 245/1 (2019), 79–115. For literary and cultural studies see Robert D. Aguirre, *Informal Empire: Mexico and Central America in Victorian Culture* (Minneapolis, 2005); and Jessie Reeder, *The Forms of Informal Empire: Britain, Latin America, and Nineteenth-Century Literature* (Baltimore, 2020).

<sup>7</sup>Andrew Thompson, “Informal Empire? An Exploration in the History of Anglo-Argentine Relations, 1810–1914,” *Journal of Latin American Studies* 24/2 (1992), 419–36, at 436; Thompson, “Afterword: Informal Empire: Past, Present and Future,” in Matthew Brown, ed. *Informal Empire in Latin America: Culture, Commerce and Capital* (Malden, MA and Oxford, 2008), 229–41, at 231.

<sup>8</sup>Louis, “Historians I have Known”; Phillip A. Buckner, “Was There a ‘British’ Empire? *The Oxford History of the British Empire* from a Canadian Perspective,” *Acadiensis* 32/1 (2002), 110–28, at 120; Dane Kennedy, *The Imperial History Wars: Debating the British Empire* (London and New York, 2018), 28–31, 37.

<sup>9</sup>D. C. M. Platt, “The Imperialism of Free Trade: Some Reservations,” *Economic History Review*, 2nd series 21/2 (1968), 296–306; Platt, “Further Objections to an ‘Imperialism of Free Trade,’ 1830–60,” *Economic History Review*, 2nd series 26/1 (1973), 77–91; and Platt, “The National Economy and British Imperial Expansion before 1914,” *Journal of Imperial and Commonwealth History* 2/1 (1973), 3–14.

<sup>10</sup>Buckner, “Was There a ‘British’ Empire?,” 120.

<sup>11</sup>There is no up-to-date literature review. For overviews to the early 1990s see Wm Roger Louis, “Robinson and Gallagher and Their Critics,” in Louis, ed., *Imperialism: The Robinson and Gallagher Controversy* (New York, 1976), 2–51; P. J. Cain, *Economic Foundations of British Overseas Expansion 1815–1914* (London and Basingstoke, 1980); Colin Newbury, “The Semantics of International Influence: Informal Empires Reconsidered,” in Michael Twaddle, ed., *Imperialism, the State and the Third World* (London, 1992), 23–66.

meaning have always been questioned. Anthony Hopkins, another leading imperial and global historian, summed up the dilemma as well as anybody else. Reviewing recent attempts to write about American “empire,” he concluded, “The central problem lies with the notion of informal empire, which historians have wrestled with for over half a century. We cannot now do without it, yet there are limits to what we can do with it.”<sup>12</sup> Whether as a conceptual tool or as a term of art, informal empire had apparently become indispensable.

Platt and others questioned the evidence for an imperialism of free trade. But the fundamental issue was always the definition of terms. Thus Martin Lynn on informal empire in West Africa: “The problem is less empirical than conceptual: to what extent can ‘informal imperialism’ ... add up to ‘imperialism’ in any real sense?”<sup>13</sup> In fact, Gallagher and Robinson had themselves started by approaching the same problem from the opposite direction: “The imperial historian, in fact, is very much at the mercy of his own particular concept of empire.”<sup>14</sup> In particular, they created three challenges for historians. First was the elasticity with which they used their terms in an effort to formulate what Louis described as “a unified theory of imperialism.”<sup>15</sup> Further complications arose as Robinson refined the hypothesis and absorbed the language of dependency theory. But always the critical issue was the problem of what Frederick Cooper calls the “naming of empire,” i.e. the valid limits to which a word could be stretched: is an empire conceived in the political sense always necessarily territorial (or, as the *Oxford English Dictionary* defines it, “an extensive group of subject territories ultimately under the rule of a single sovereign state”)? At what point does it cease to have precise meaning?<sup>16</sup> Fundamentally, the critics were objecting to how the same category—empire—had been used to classify an extraordinary variety of places, situations, and relationships. They disagreed with how Gallagher and Robinson had “named empire” in the mid-twentieth century.

This article seeks to strengthen the provenance of informal empire as both an idea and a key term. The association of imperial metaphors with British economic primacy had been relatively commonplace in the nineteenth century, but they coexisted with other metaphors—most notably Britain as the “workshop of the world— which, while also implying a form of dependence for Britain’s commercial partners, placed the emphasis differently. In the 1930s, historians conceived “informal empire” as a strictly nonpolitical domain. By contrast, Gallagher and Robinson used the term to formulate a new interpretation of British imperial history in

<sup>12</sup>A. G. Hopkins, “Comparing British and American Empires,” *Journal of Global History* 2/3 (2007), 395–404, at 402.

<sup>13</sup>Martin Lynn, “The ‘Imperialism of Free Trade’ and the Case of West Africa, c.1830–c.1870,” *Journal of Imperial and Commonwealth History* 15/1 (1986), 22–40, at 36; also see Platt, “The Imperialism of Free Trade,” 303.

<sup>14</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 1; Bentley, *Modernizing England’s Past*, 90–91.

<sup>15</sup>Louis, “Robinson and Gallagher,” 2. According to Hyam, *Understanding the British Empire*, 521, Robinson was “almost hypnotised by the search for ‘a new unifying concept’, the big hypothesis.”

<sup>16</sup>Frederick Cooper, *Colonialism in Question: Theory, Knowledge, History* (Berkeley and London, 2005), 29; on “informal empire” see Katharine West, “Theorising about ‘Imperialism’: A Methodological Note,” *Journal of Imperial and Commonwealth History* 1/2 (1973), 147–54, at 148–9; Wolfgang J. Mommsen, *Theories of Imperialism*, trans. P. S. Falla (New York, 1980), 92–3.

which the active promotion of trade by the British state was the means also to extend British power and influence. Viewed in this light, it is possible to appreciate more fully the originality of “The Imperialism of Free Trade” while also reinstating elements that have been subsequently elided, most obviously that it was an argument about *economic* imperialism.<sup>17</sup> Equally, we can see that some of Gallagher and Robinson’s most important questions—What were the nature and causes of Britain’s economic imperialism? Can informal empire ever be *more than* a metaphor? How and why does it become *formal* empire—had already been asked by earlier historians as they too absorbed, reworked, and reacted to contemporary theories of economic imperialism, which themselves were receiving serious scholarly attention for the first time.<sup>18</sup> The range of possible associations, however—political and nonpolitical; exploitative and benign—meant that informal empire would always be a problematic idea. Finally, by briefly considering the trajectory of informal empire after “The Imperialism of Free Trade,” the article shows how John Gallagher himself, as well as one of his most influential successors, found a way out of this impasse.

### Oxford, Cambridge, and the Cold War

Even without having a satisfactory name for it, some contemporaries did grasp the hybrid and systemic nature of imperial power before 1914, as well as how incorporation into the global economy might warp the politics of weaker dependent societies. At the end of the 1860s, Herman Merivale, the permanent undersecretary at the India Office, discerned the emergence between India and Japan of “another great field of national development—almost an empire, in all but in name [sic] ... By actual possession here and there; by quasi-territorial dominion, under treaties, in other places; by great superiority in general commerce and in the carrying trade everywhere, we have acquired an immense political influence in all that division of the world.”<sup>19</sup> The novelist Joseph Conrad, who had himself witnessed firsthand the sprawling colonialism of the late nineteenth century, articulated a sense of the less tangible dimensions of economic dependence. In his novel *Nostromo: A Tale of the Seaboard*, published in 1904, Mrs Gould (Doña Emilia), the wife of Charles Gould, who owns and manages the Gould Mining Concession in South America, which is now financed by American capital, reflects on how her husband’s devotion to the mine has utterly absorbed him: “Incorrigible in his devotion to the great silver mine was the Señor Administrador! Incorporable in his hard, determined service

<sup>17</sup>See, for example, the summaries in Gallagher, *Decline, Revival and Fall*, viii–ix; and Andrew S. Thompson, “Gallagher, John Andrew,” *Oxford Dictionary of National Biography*, at <https://doi.org/10.1093/ref:odnb/45976>, accessed 22 Aug. 2022.

<sup>18</sup>Stephen Howe, *Anticolonialism in British Politics: The Left and the End of Empire, 1918–64* (Oxford, 1993); Norman Etherington, *Theories of Imperialism: War, Conquest and Capital* (London, 1984); Richard Pares, “The Economic Factors in the History of the Empire,” *Economic History Review* 7/2 (1937), 119–44; W. H. B. Court, “The Communist Doctrines of Empire,” Appendix 1 in W. K. Hancock, *Survey of British Commonwealth Affairs*, vol. 2, pt. 1 (London, 1940), 293–305.

<sup>19</sup>Herman Merivale, “The Colonial Question in 1870,” *Fortnightly Review* 7/38 (1870), 152–75, at 174; quoted in part in Bernard Porter, *The Lion’s Share: A Short History of British Imperialism, 1850–1995*, 5th edn (Harlow, 2012), at 12.

of the material interests to which he had pinned his faith in the triumph of order and justice.”<sup>20</sup> The Goulds’ relationship mirrors the “changes more subtle, outwardly unmarked,” brought about by the great prosperity that has transformed the imaginary republic of Sulaco.<sup>21</sup> And yet, Mrs Gould’s oldest confidant, Dr Monygham, foresees, “There is no peace and no rest in the development of material interests ... the time approaches when all that the Gould Concession stands for shall weigh as heavily upon the people as the barbarism, cruelty, and misrule of a few years back.”<sup>22</sup>

As Merivale and Conrad perceived, power in the nineteenth century was simultaneously territorial, systemic, and intangible; it embraced the control of subjects as well as the subjective sense of subordination where no direct control was imposed. But how were historians to describe an empire “in all but in name,” this new dominion of “material interests?” In effect, it required two steps. First, they borrowed from the contemporary critics of “capitalist imperialism,” identifying parallel economic empires that had been created by the vast expansion of British trade, commerce, and investment during the nineteenth century, which they described variously as “invisible,” “financial,” and “informal.” Second, they conceived economic empire as connected to political empire by the workings of power. This was the particular contribution of Gallagher and Robinson. They linked three quite separate things: empire in the conventional territorial understanding of the word; imperialism (which I will follow Burbank and Cooper in defining as “the extension of power across space”);<sup>23</sup> and a wide spectrum of contingent forms of political influence, all of which—although varying considerably in degree—could be qualified as “informal.” Gallagher and Robinson wanted to understand British imperialism within what they called “the total framework of expansion.”<sup>24</sup> It required a new way of thinking but led them back to an old category: empire, which they stretched, “from a vague, informal paramountcy to outright political possession,” as far as it would go.<sup>25</sup>

In a paper read at Oxford in 1981, Robinson surveyed the ideas from “mercantilism” to his own “‘excentric’ or ‘peripheral’ notion” which had successively informed British conceptions of empire since the eighteenth century and then supplied the “unities that have given imperial history whatever shape it has had during the past hundred years.”<sup>26</sup> His nominal subject was the idea of “Commonwealth”—“the

<sup>20</sup>Joseph Conrad, *Nostramo: A Tale of the Seaboard* (1904), in *The Works of Joseph Conrad*, vol. 8 (Edinburgh and London, 1925), 521; for an illuminating analysis, Reeder, *Forms of Informal Empire*, 17–20.

<sup>21</sup>Conrad, *Nostramo*, 504.

<sup>22</sup>*Ibid.*, 511.

<sup>23</sup>Burbank and Cooper, *Empires in World History*, 293. Gallagher and Robinson themselves alternated between different senses, referring to “the use of paramount power [i.e. state action] ... the distinctive feature of the British imperialism of free trade” (“The Imperialism of Free Trade,” 6), as well as the private actions of entrepreneurs, businessmen, and investors once a region had been integrated into the metropolitan economy: “The main work of imperialism in the so-called expansionist era [at the end of the nineteenth century] was the more intensive development of areas already linked with the world economy” (*ibid.*, 15).

<sup>24</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 7.

<sup>25</sup>*Ibid.*

<sup>26</sup>Robinson, “Oxford in Imperial Historiography,” 30.



ideal of a multi-racial Commonwealth to come”—the dominant theme of imperial history at Oxford between the two world wars, but Robinson also used the occasion to create a provenance for the new “unities” with which he and Gallagher had themselves revolutionized the subject since 1953.<sup>27</sup> It was a brilliant, if highly compressed, historiographical tour de force.

Robinson identified three key influences on the “experimental hypothesis” of “The Imperialism of Free Trade.”<sup>28</sup> Two derived from the authors’ own political leanings at the time. Foremost was “a socialist and agnostic reaction against the patrician Anglican complacency of the distinguished Oxford Commonwealth school,” which placed them in an “ethical quandary” between the “moralization” of the Oxford historians and “Hobsonian and neo-Marxist denunciation of British imperialism.”<sup>29</sup> Second, Robinson emphasized the international climate after 1945, particularly the possibility of Western Europe becoming an American dependency. Here he and Gallagher followed conventional thinking on the British Left.<sup>30</sup> It was possible to believe in “the falling of empires and the making of new ones,” as well as “the colonial possibilities in the Marshall plan.”<sup>31</sup> In turn, this suggested a different perspective on Britain’s imperial past: it was “not surprising that informal empire took on a new meaning ... or that [British imperial historians] began to reappraise the history of formal empire in its light.”<sup>32</sup>

Finally, Robinson acknowledged two older historians, the Australian W. K. (Keith) Hancock (1898–1988), who in 1949 had moved from Oxford to the Institute for Commonwealth Studies at the University of London, and Vincent Harlow (1898–1961), the then Beit Professor of Commonwealth History at Oxford. Hancock’s breadth of vision—the “span” which became one of his watchwords—had allowed him “to consummate and transcend” the unities of the Oxford tradition and thus create “a new cosmology.”<sup>33</sup> In the second volume of the *Survey of Commonwealth Affairs*, published in two parts in 1940 and 1942, Hancock brought together “the various elements in the working of imperialism”—economic, political, and peripheral—into a single synthesis: “he was the first historian to connect the moral, economic, and political drives from the centre comprehensively to their social impact on the satellites and dependencies overseas.”<sup>34</sup> Hancock had broken the restrictive boundaries of earlier approaches with their emphasis on imperial administration and constitutional development and their tendency to leave aside economics and metropolitan politics. He viewed British expansion in the round.

<sup>27</sup>Ibid., 35–42, quote at 35; for Oxford see Frederick Madden, “Commonwealth, Commonwealth History, and Oxford, 1905–1971,” in Madden and Fieldhouse, *Oxford and the Idea of Commonwealth*, 7–29, at 27; Louis, “Introduction,” 7, 24, 33; Bentley, *Modernizing England’s Past*, 70–82.

<sup>28</sup>Robinson, “Oxford in Imperial Historiography,” 47; cf. “The Imperialism of Free Trade,” 5, 6.

<sup>29</sup>Robinson, “Oxford in Imperial Historiography,” 45. This also suggests the range of their “socialist” influences, including Leonard Woolf and Leonard Barnes. Ibid., 34. For the anti-imperialism of the British left in the period see Howe, *Anticolonialism*.

<sup>30</sup>Howe, *Anticolonialism*, 165, 167, 179, 186; Richard Koebner and Helmut Dan Schmidt, *Imperialism: The Story and Significance of a Political Word, 1840–1960* (Cambridge, 1965), 305.

<sup>31</sup>Robinson, “Oxford in Imperial Historiography,” 45.

<sup>32</sup>Ibid., 43.

<sup>33</sup>Ibid., 39, 40; Jim Davidson, *A Three-Cornered Life: The Historian WK Hancock* (Sydney, 2010), 152.

<sup>34</sup>Robinson, “Oxford in Imperial Historiography,” 40.

Harlow was both a model and the authority for a new thesis. First, he impressed by his immersion in the archives and determination to interpret “the imperial record through the eyes of the actors at the time rather than through the hindsight of the present.”<sup>35</sup> Second, and more consequentially, he had discovered “the general principle’ ... in the [British] preference for trade over dominion.”<sup>36</sup> The main theme of the first volume of his *Founding of the Second British Empire, 1763–1783*, published just a year before “The Imperialism of Free Trade,” was Britain’s rise as a commercial power. Harlow argued that after the loss of the thirteen American colonies there was no pause in imperial expansion, only a “continuous effort” (his own words) stimulated by British economic growth. The empire (to quote him again) “was not, in fact, an empire in the normal sense”: “The ideal was a chain of trading posts, protected at strategic points by naval bases” with a view to finding “a vent for the widening range of British manufactures.”<sup>37</sup> This was why Robinson described Harlow as “the first historian to take ‘imperial empire’ fully into account.”<sup>38</sup> Although his thesis was later challenged, Gallagher and Robinson applied it to the entire nineteenth century.<sup>39</sup>

Finally, to the three influences Robinson directly acknowledged, one other must be added that he only briefly alluded to in the Oxford paper. In 1945, the History Faculty at Cambridge had introduced a new undergraduate paper called “The Expansion of Europe.” Robinson’s brief acknowledgment belies the significance he attributed to it: “Hancock’s *Survey* inspired George Kitson Clark to insert a paper on the expansion of Europe into the historical tripos ... chiefly to give ex-service undergraduates something easy to read.”<sup>40</sup> In fact, the paper was originally proposed by J. W. (Jim) Davidson (1915–73), a New Zealander recently elected to a fellowship at St John’s College.<sup>41</sup> In his inaugural lecture as first professor of Pacific studies at the Australian National University in 1954, Davidson himself acknowledged the need to offer suitable material for ex-servicemen, but explained it more positively as a recognition that the “war years ... had shown how little the old-style imperial historians could contribute to an understanding of the changing European position in Asia and Africa.”<sup>42</sup> He also reiterated his original conviction: “If the historian is to understand the course of European contact with the non-European world at all fully, he must place his work within a conceptual framework which is equally broad-based. Imperial history must give way to the history of European expansion”; an exclusive focus on “the imperial factor” was “the negation of true historical scholarship.”<sup>43</sup> It was the same conviction he had expressed in his

<sup>35</sup>Ibid., 44.

<sup>36</sup>Ibid., 45; Gallagher and Robinson, “The Imperialism of Free Trade,” 8.

<sup>37</sup>Vincent T. Harlow, *The Founding of the Second British Empire 1763–1793*, vol.1 (London 1952), 3–4.

<sup>38</sup>Robinson, “Oxford in Imperial Historiography,” 45;

<sup>39</sup>C. A. Bayly, *Imperial Meridian: The British Empire and the World, 1780–1830* (London and New York, 1989), 9–10; and P. J. Marshall, *The Making and Unmaking of Empires: Britain, India, and America c.1750–1783* (Oxford, 2005), 5; Gallagher and Robinson, “The Imperialism of Free Trade,” 8–9.

<sup>40</sup>Robinson, “Oxford in Imperial Historiography,” 42.

<sup>41</sup>Hyam, *Understanding the British Empire*, 479–82; Doug Munro, “Davidson, James Wightman,” *Dictionary of New Zealand Biography* (2000), at <https://teara.govt.nz/en/biographies/5d6/davidson-james-wightman>, accessed 10 Aug. 2022.

<sup>42</sup>J. W. Davidson, *The Study of Pacific History: An Inaugural Lecture delivered at Canberra on 25 November 1954* (Canberra, 1955), 8–9.

<sup>43</sup>Ibid., 7.



1942 Cambridge Ph.D. thesis: the many forms of Europe's expansion in the nineteenth century, economic as well as political, were all "parts of one great [if disorderly] movement."<sup>44</sup> Soon, like E. H. Carr, he criticized the eurocentrism of the "Expansion of Europe" paper.<sup>45</sup> Its immediate significance, however, was as a first institutional attempt, following Hancock's initial lead, to treat formal imperialism in the late nineteenth century as a subordinate part of a much broader phenomenon.

Ultimately, a complex interplay of ideas and influences contributed to the approach Robinson elevated into "the Cambridge unity of 'expansion'."<sup>46</sup> Davidson himself felt that his proposal "had come ... at the very moment when men were prepared to take action."<sup>47</sup> Gallagher, a sergeant in the Royal Tank Regiment, and Robinson, a flight lieutenant in bombers, belonged to the generation of veterans returning to Cambridge after the war. Gallagher was one of Davidson's first research students and replaced him as university lecturer in colonial history when Davidson moved to the new chair in Canberra.<sup>48</sup> For many years, Gallagher and Robinson shared or alternated responsibility for the "Expansion of Europe" paper. According to one sympathetic commentator, "Gallagher and Robinson really created the subject ... engineered a historiographical revolution ... and put upon it the stamp of a distinctive 'Cambridge school'."<sup>49</sup> As young historians, however, they still had their debts to pay. Davidson and the Cambridge paper focused them on the "total framework of expansion" in which British imperialism might be reinterpreted.

### Metaphors of empire

In his Oxford paper, Robinson treated informal empire as a term that was already familiar to imperial historians in the mid-twentieth century, albeit one which was taking on "a new meaning."<sup>50</sup> The same is true of the opening rhetorical flourish of the 1953 essay: "It ought to be a commonplace that Great Britain during the nineteenth century expanded overseas by means of 'informal empire' as much as by acquiring dominion in the strict constitutional sense."<sup>51</sup> The term, Gallagher and Robinson immediately inform the reader, had "been given authority by Dr C. R. Fay" in the second volume of the *Cambridge History of the British Empire*, published in 1940. Further into the essay, they added, "The economic importance—even the pre-eminence—of informal empire in this period has been stressed often enough."<sup>52</sup> Here again, a provenance is suggested, an authority tantalizingly glimpsed. But for the rest, Gallagher and Robinson assumed that their readers knew what they were talking about; after all, informal empire's economic importance had been stressed "often enough."

<sup>44</sup>Quoted in Hyam, *Understanding the British Empire*, 481.

<sup>45</sup>Davidson, *The Study of Pacific History*, 9; E. H. Carr, *What Is History?* (London, 1961), 145–6.

<sup>46</sup>Robinson, "Oxford in Imperial Historiography," 42.

<sup>47</sup>Davidson, *The Study of Pacific History*, 9.

<sup>48</sup>Thompson, "Gallagher"; Hyam, *Understanding the British Empire*, 483

<sup>49</sup>Anil Seal, "Preface: John Gallagher, 1919–1980," in Gallagher, *Decline, Rise and Fall*, xvi.

<sup>50</sup>Robinson, "Oxford in Imperial Historiography," 43.

<sup>51</sup>Gallagher and Robinson, "The Imperialism of Free Trade," 1.

<sup>52</sup>*Ibid.*, 7; C. R. Fay, "The Movement towards Free Trade, 1820–1853," in J. Holland Rose, A. P. Newton, and E. A. Benians, eds, *The Cambridge History of the British Empire*, vol. 2 (Cambridge, 1940), 388–414.

Several other historians have also acknowledged Charles Ryle Fay (1884–1961) as the originator of the term. But with the notable exception of Colin Newbury, who dealt with the matter briefly, why he invented it, what he meant, and how the term was received have never been explained.<sup>53</sup> Fay's obituary in *The Times* judged that he had not been "a great scholar"; his work had been marked by a "lively, sometimes irrelevant, curiosity."<sup>54</sup> This may be why he quickly disappeared from view.<sup>55</sup> He made, however, a permanent contribution to the vocabulary of imperial historians.

Fay first coined the term during the Great Depression, at a conjuncture which was just as significant as the one that would impress Gallagher and Robinson two decades later, if not more so. When, in 1931–2, Britain left the gold standard and imposed protective duties on imports, it also effectively abandoned its empire of free trade—or, at least, as much of it as had survived since the war. Almost a century earlier, the liberalization of British commercial policy in the 1840s had had equally profound consequences, particularly for Britain's colonies, which no longer enjoyed preferential treatment. As Harlow observed, "When Britain finally abolished all discriminating duties and repealed the Navigation Acts, she seceded, in a commercial sense, from her own Colonial Empire."<sup>56</sup> The reversal of British economic policy during the Depression was a secession of another kind. The Import Duties Bill of 1932 restored preferential treatment to empire producers but immediately raised questions about Britain's obligations to independent countries like Argentina, which had also relied on British capital, markets, and expertise to develop their economies.<sup>57</sup> Britain may have abandoned free trade, but the remains of its commercial empire were still clearly visible. Thinking about Argentina, Fay imagined an "economic empire," an "informal economic empire," or more simply an "informal empire."<sup>58</sup>

Fay's association of "empire" with some form of economic dominion was itself not particularly novel. Since at least the eighteenth century, it had been commonplace to refer to Britain, its colonies, and its wider trading relationships as "commercial Empire." The usage encompassed older notions of empire as a polity having dominion over itself as well as a more expansive sense: Britain as either "*this* commercial empire" or "*the Seat of* commercial Empire."<sup>59</sup> The term

<sup>53</sup>Although, like Gallagher and Robinson, some only cite Fay's chapter in the *Cambridge History*, where Hyam suggests the term was "invented." J. W. Davidson, "Problems of Pacific History," *Journal of Pacific History* 1/1 (1966), 5–21, at 7; Robin W. Winks, "On Decolonization and Informal Empire," *American Historical Review* 81/3 (1976), 540–56, at 544; Newbury, "The Semantics of International Influence," 24–5; Hyam, *Understanding the British Empire*, 475–6; Cain and Hopkins, *British Imperialism*, 66; Gregory A. Barton, *Informal Empire and the Rise of One World Culture* (Basingstoke, 2014), 10–12.

<sup>54</sup>*The Times*, 21 Nov. 1961, 15.

<sup>55</sup>Hugh Gault, *The Quirky Dr Fay: A Remarkable Life* (Cambridge, 2011), 182–4.

<sup>56</sup>Vincent T. Harlow, *The Founding of the Second British Empire 1763–1793*, vol. 2 (London, 1964), 3.

<sup>57</sup>Tim Rooth, *British Protectionism and the International Economy: Overseas Commercial Policy in the 1930s* (Cambridge, 1993); Roger Gravil and Timothy Rooth, "A Time of Acute Dependence: Argentina in the 1930s," *Journal of European Economic History* 7/2 (1978), 337–78.

<sup>58</sup>C. R. Fay, *Imperial Economy and Its Place in the Formation of Economic Doctrine, 1600–1932* (Oxford, 1934), 23, 42.

<sup>59</sup>Sir J. Graham, HC Deb., vol. 99, 26 June 1848, col. 1234; *London Evening Post*, 4–6 Sept. 1760, my emphasis. For the older connotation see Koebner and Schmidt, *Imperialism*, 37; J. G. A. Pocock, *The Discovery of Islands: Essays in British History* (Cambridge, 2005), 50, 164–5.

originated in the mercantilist era but was equally acceptable to the most ardent free-traders. Thus, in 1836, Richard Cobden, the manufacturer and radical politician, urged Britons to contemplate their trade with the United States “whereon rests our very existence as a commercial empire.”<sup>60</sup> Typically, however, Cobden’s contemporaries preferred a different metaphor. Britain’s remarkable progress in manufacturing had transformed the United Kingdom into “the great workshop of the world.”<sup>61</sup> Like “empire,” this also suggested a form of universal sovereignty, but—as Cobdenite liberals believed—it was essentially pacific in nature.

Nevertheless, the universal sovereignty of the world’s great workshop could still be construed as empire of a kind. The historian Bernard Semmel, adapting Gallagher and Robinson, described the economic doctrines of the early advocates of trade liberalization in Britain as “free-trade mercantilism.”<sup>62</sup> The aim of politicians and writers like Sir Robert Torrens and Joseph Hume had been “to preserve Britain’s industrial predominance, and, if possible, to achieve a virtual industrial monopoly for a British Workshop of the World.”<sup>63</sup> In 1846, responding implicitly to the accusation that free trade was tantamount to discarding the colonies, the liberal Edward Buller countered, “This principle once adopted, foreign nations would become valuable Colonies to us, without imposing on us the responsibility of governing them.”<sup>64</sup> Buller may have been unusual (or unusually impolitic) in putting the matter so baldly, but foreigners perceived their situation similarly. As early as 1817, the French cleric and diplomat the Abbé Dominique de Pradt declared that Britain’s industrial progress had given it “that superiority in all the markets of Europe, and almost of all the world which is changed into empire, the more powerful too, the more it is voluntary [*empire, d’autant plus puissant qu’il est plus volontaire*].”<sup>65</sup> The German economist Friedrich List varied the metaphor. England would “become to other nations what a vast city is to the country.”<sup>66</sup> Yet, ultimately, he too was drawn to the imperial analogy. England was building “universal empire” on the economic “ruins of other nations.”<sup>67</sup> For Semmel, Britain’s free-trade mercantilists were effectively aiming to create “free trade

<sup>60</sup>Richard Cobden, “Russia” (1836), in *The Political Writings of Richard Cobden*, vol. 1 (London, 1903), 122–272, at 227, also 122, 240, 246.

<sup>61</sup>Anon., “De la prépondérance maritime et commerciale de la Grand Bretagne,” *Critical Review* 7/5 (1806), 445–58, at 455; for Benjamin Disraeli in 1840 on the expression as “one which we were much in the habit of using in this country” see Bernard Semmel, *The Rise of Free Trade Imperialism: Classical Political Economy, the Empire of Free Trade and Imperialism, 1750–1850* (Cambridge, 1970), 155.

<sup>62</sup>Semmel, *The Rise of Free Trade Imperialism*, 9. Semmel is the main source for the rest of this paragraph.

<sup>63</sup>*Ibid.*, 157; also 8, 146–9, 156, 217–18.

<sup>64</sup>HC Deb., vol. 83, 23 Feb. 1846, cols. 1399–1400, quoted in part in Semmel, *The Rise of Free Trade Imperialism*, 8; for discarding “our colonies” see Sir Howard Douglas, HC Deb., vol. 83, 13 Feb 1846, col. 851.

<sup>65</sup>M. D. Pradt, *The Colonies and the Present American Revolutions* (London, 1817), 121, quoted in part in Semmel, *The Rise of Free Trade Imperialism*, at 6. For the original see Pradt, *Des colonies, et de la Révolution actuelle de l’Amérique*, vol. 1 (Paris, 1817), 189.

<sup>66</sup>Frederick List, *National System of Political Economy* (1841), trans. G. A. Matile (Philadelphia, 1856), 437, quoted by Semmel, *The Rise of Free Trade Imperialism*, at 178–9.

<sup>67</sup>List, *National System of Political Economy*, 438.

empire.”<sup>68</sup> Unsurprisingly, however, it was their commercial rivals who came closest to naming informal empire in the nineteenth century. Henry Carey, the American economist, challenged the British conceit head on: “the system which looks towards making Britain ‘the workshop of the world,’ is, of all the forms of tyranny ... the one that, *par excellence*, tends to the establishment of slavery as the normal condition of the man who seeks to work.”<sup>69</sup> Thus, by their choice of metaphor, British liberals and their foreign critics anticipated the later differences of the historians.

The immense outflow of European capital from the mid-nineteenth century suggested the possibility of a new form of economic dominion based on investment rather than trade, while the emergence of the “new imperialism” in the late 1870s, and Disraeli’s contemporaneous introduction of “imperialism” into the vocabulary of British party politics, narrowed the ways in which that dominion might be described.<sup>70</sup> The export of capital might be seen as creating a parallel financial “empire” as well as providing the impetus for formal empire building. It could be empire by analogy, empire-like in character, or empire in reality. Ultimately, how the metaphor was deployed and the kind of imperialism it represented depended on the observer. What united all, however, was the view that foreign and colonial investment created “empire” of some kind.

As early as 1882, the French economist and convert to formal imperialism Paul Leroy-Beaulieu referred to “investment colonisation” (*colonisation de capitaux*) as constituting “a kind of extramural realm.”<sup>71</sup> More remarkably, in 1899, in an article called “The Imperialism of British Trade”—which *prima facie* must also be included among Gallagher and Robinson’s sources—the otherwise unknown author using the pseudonym Ritortus characterized Britain’s early industrial and commercial primacy as “a species of World Empire, the forerunner of that real Empire which we are now evolving.”<sup>72</sup> By the latter, Ritortus meant the vast portfolio of assets and financial obligations which had turned Britain into the world’s “creditor ... mortgagee ... [and] landlord.”<sup>73</sup> The “capitalistic era” had succeeded the “industrial”: “It is truly the whole world, and not only that part of it which is mapped out as our Colonial possessions, which is fast becoming England’s domain and empire.”<sup>74</sup> British overseas investment was a “new capitalistic

<sup>68</sup>Semmel, *The Rise of Free Trade Imperialism*, 6, 210; see also 204. Alternatively, Semmel refers to “trade empire,” at 9, 11, and *passim*.

<sup>69</sup>H. C. Carey, *Review of the Decade 1857–67* (Philadelphia, 1867), 27, quoted by Semmel, *The Rise of Free Trade Imperialism*, at 179.

<sup>70</sup>For the latter see Koebner and Schmidt, *Imperialism*, 107–10, 133–8, 142, 148, 153–7, 164–5.

<sup>71</sup>“C’est une sorte de domaine *extra muros*.” Paul Leroy-Beaulieu, *De la colonisation chez les peuples modernes*, 2nd edn (Paris, 1882), 539; Dan Warshaw, *Paul Leroy-Beaulieu and Established Liberalism in France* (DeKalb, 1991). I am particularly grateful to David Todd for locating the original source of this quote.

<sup>72</sup>The essay was published in consecutive (July and August) issues. Ritortus, “Imperialism of British Trade,” *Contemporary Review* 76 (1899), 132–52, 282–304, at 137. Richard Koebner cites it in “The Concept of Economic Imperialism,” *Economic History Review* 2nd series 2/1 (1949), 1–29, at 23, and is the most likely place where Gallagher and Robinson may have found it. On Ritortus see Peter Cain, *Hobson and Imperialism: Radicalism, New Liberalism and Finance, 1887–1938* (Oxford, 2002), 85–7.

<sup>73</sup>Ritortus, “Imperialism of British Trade,” 143.

<sup>74</sup>*Ibid.*, 145, 282.

Imperialism.”<sup>75</sup> Not long after, the left liberal German economist Gerhart von Schulze-Gävernitz, a close watcher of Britain, varied the theme, observing that the southern cone of South America (*südliche Südamerika*), particularly Argentina, was “so financially dependent on London that it may almost be described as an English commercial colony [*englische Handelskolonie*].”<sup>76</sup> Other well-placed foreigners, like the US consul in Buenos Aires, agreed.<sup>77</sup>

For their part, British radicals associated “capitalistic imperialism” with the more conventional forms of empire building, which only served the interests of financiers, chartered companies and large capitalists. The most egregious examples were the invasion of Egypt in 1882 and the war in South Africa in 1899–1901.<sup>78</sup> According to Bernard Porter, in Britain by the early twentieth century the “economic line of argument was becoming a popular and even a respectable one.”<sup>79</sup> In 1911, the first issue of *Round Table*, the monthly journal of the eponymous movement to promote closer ties between Britain and the white dominions, acknowledged that “many associate imperialism with the projects of jingoes and capitalists.”<sup>80</sup> The radical liberal theory had already received its fullest and ultimately most influential statement with the publication in 1902 of *Imperialism: A Study* by the social theorist and economist John Atkinson Hobson.<sup>81</sup> Subsequently Lenin—praising Hobson, quoting Schulze-Gävernitz, and referring himself to “semi-colonial countries like Persia, China and Turkey” (“the semi-colony”)—elevated capitalist imperialism into the final monopoly stage of capitalism.<sup>82</sup>

Soon the radical liberal and Leninist versions of the theory comingled and were confused with each other.<sup>83</sup> After World War I, the publisher, socialist, and former colonial officer Leonard Woolf elaborated the Hobsonian critique into the “economic explanation of imperialism.”<sup>84</sup> Through him, the American academic Parker Moon, and others, “economic imperialism” passed into wide circulation on both sides of the Atlantic as a catchall for the economic exploitation of weaker societies. In Moon’s influential and much-reprinted textbook *Imperialism and World Politics* (1926), economic imperialism also referred to the independent

<sup>75</sup>One abetted by a “sham” and “one-sided Free Trade” leading inexorably to national decline. Ritortus, “Imperialism of British Trade,” 286, 288, 301.

<sup>76</sup>G. von Schulze-Gävernitz, *Britischer Imperialismus und englischer Freihandel zu Beginn des zwanzigsten Jahrhunderts* (Leipzig, 1906), 318.

<sup>77</sup>A. G. Hopkins, “Informal Empire in Argentina: An Alternative View,” *Journal of Latin American Studies* 26/2 (1994), 469–84, at 484.

<sup>78</sup>Bernard Porter, *Critics of Empire: British Radicals and the Imperial Challenge* (1968) (London and New York, 2008); P. J. Cain, “J. A. Hobson, Cobdenism, and the Radical Theory of Economic Imperialism, 1898–1914,” *Economic History Review* 2nd series 31/4 (1978), 565–84; A. G. Hopkins, “The Victorians and Africa: A Reconsideration of the Occupation of Egypt, 1882,” *Journal of African History* 27/2 (1986), 363–91; D. K. Fieldhouse, *The Theory of Capitalist Imperialism* (London, 1967).

<sup>79</sup>Porter, *Critics of Empire*, 293–4.

<sup>80</sup>*Round Table* 1 (1910–11), 1–2, quoted in Etherington, *Theories of Imperialism*, 212.

<sup>81</sup>J. A. Hobson, *Imperialism: A Study* (London, 1902); Cain, *Hobson and Imperialism*.

<sup>82</sup>V. I. Lenin, *Imperialism: The Highest Stage of Capitalism* (1917) (New York, 1939), 15, 79, 85.

<sup>83</sup>Etherington, *Theories of Imperialism*, 176–203; Howe, *Anticolonialism*, 55, 58, 67–8, 107, 114.

<sup>84</sup>Woolf’s *Empire and Commerce in Africa: A Study in Economic Imperialism*, followed soon by several other publications on the same theme, appeared in 1920; Etherington, *Theories of Imperialism*, 176–83.

actions of business organizations, more precisely the “forms of domination achieved through the instrumentality of business activity without the aid of any state.”<sup>85</sup> Moreover, North American readings of Hobson directly promoted the view of capital exports as either a preliminary to imperialism or, in Ritortus’s sense, the creator of a parallel “financial empire” which did not necessarily require territorial control.<sup>86</sup> In a study of US “dollar diplomacy” published in 1925, the American socialists Scott Nearing and Joseph Freeman stated as a general principle, “Peaceful economic penetration, the opening wedge of imperialism, results from the migration of capital.”<sup>87</sup> Soon a young Canadian economic historian, Leland Jenks, borrowed their language, announcing his intention in *The Migration of British Capital to 1875* “to set forth some of the principal ways in which the migration of capital has influenced the rise of an invisible empire of which London is the metropolis.”<sup>88</sup> In turn, Herbert Feis echoed Jenks, averring in a study for the US Council on Foreign Relations, “London was the center of a financial empire, more international, more extensive in its variety, than even the political empire of which it was the capital.”<sup>89</sup> By such routes, “economic empire” and its variants passed into the historiographical mainstream.

Finally, other influences were at work on the opposite side of the Atlantic. While scholars in North America played variations on Hobson, in Britain the definition in 1926 of the Commonwealth as an association of “autonomous Communities within the British Empire, equal in status, in no way subordinate one to another,” shifted attention further away from constitutional ties to the economic relationships that bound Britain and the dominions to each other, a return to what Charles Fay called “imperial economic policy” which had begun when Joseph Chamberlain was at the Colonial Office in the 1890s.<sup>90</sup> The Commonwealth might now plausibly be viewed as essentially an economic association. In 1929, observing that “Argentina depends, not for her prosperity but for her very existence, on the British consumer,” Britain’s ambassador Sir Malcolm Robertson suggested, “Without saying so in so many words, which would be tactless, what I really mean is that Argentina must be

<sup>85</sup>Ibid., 189. Ultimately, Robinson’s understanding of the “imperialism of free trade” in Latin America in the late nineteenth century was closest to this; see Robinson, “Introduction: Railway Imperialism” and “Conclusion: Railways and Informal Empire,” in Clarence B. Davis and Kenneth E. Wilburn Jr, eds., *Railway Imperialism* (New York and London, 1991), 1–6, 175–96. Robinson cites Moon in “Oxford in Imperial Historiography,” at 34.

<sup>86</sup>For Hobson’s influence, particularly in America and on the British left see Cain, *Hobson and Imperialism*, 226–33; Howe, *Anticolonialism*, 37, 55, 67, 114, 171, 221. Also see Scott Nearing and Joseph Freeman, *Dollar Diplomacy: A Study of American Imperialism* (New York, 1925), xiii–xv, where Hobson is cited more frequently than Hilferding or Lenin.

<sup>87</sup>Nearing and Freeman, *Dollar Diplomacy*, 19.

<sup>88</sup>Leland Hamilton Jenks, *The Migration of British Capital to 1875* (New York and London, 1927), 1. Jenks includes Nearing and Freeman “[a]mong the books illustrating the bearing of foreign investment upon what is frequently called ‘economic imperialism.’” Ibid., 339.

<sup>89</sup>Herbert Feis, *Europe the World’s Banker 1870–1914* (1930) (Clifton, NJ, 1974), 5; Jenks is cited at 15, 18, 103, 114.

<sup>90</sup>“Imperial Conference, 1926: Summary of Proceedings” (Cmd 2768, 1926), 14; John Darwin, “A Third British Empire? The Dominion Idea in Imperial Politics,” in Judith M. Brown and Wm Roger Louis, eds., *The Oxford History of the British Empire*, vol. 4 (Oxford, 1999), 64–87, at 68–9; Ian M. Drummond, *Imperial Economic Policy 1917–1939: Studies in Expansion and Protection* (London, 1974); C. R. Fay, *The Corn Laws and Social England* (Cambridge, 1932), 134.



regarded as an essential part of the British Empire. We cannot get on without her, nor she without us.”<sup>91</sup> A subconscious association with contemporary talk of “American imperialism” in Latin America and the Caribbean, also mentioned by Robertson, may have been equally at work here.<sup>92</sup> Nevertheless, the notion later led one of Fay’s research students to describe Argentina as, “In a very real sense ... the first community, substantially dependent economically on Great Britain, to achieve Dominion status.”<sup>93</sup> Clearly, there were many sources Fay could draw on when he turned to economic empire.

### Empires, outer or informal: Charles Fay and Harold Innis

Fay, an undergraduate contemporary and friend of Keynes at King’s College, Cambridge, had been a fellow and college lecturer at Christ’s College in the same university before World War I.<sup>94</sup> In 1921, after war service and a brief return to Cambridge, he transferred to a chair in the Department of Political Economy at the University of Toronto, where he stayed for the rest of the decade. He later credited Toronto as the first place where he “came to the study of Imperial Economy.”<sup>95</sup> One North American colleague later observed, “it has been well said that Canada, and in particular Toronto, continued to own a part of him.”<sup>96</sup> He returned to Cambridge to a readership created specifically for him. His main interests were British economic and social history, including the cooperative movement, about which he had completed his doctorate for the London School of Economics. He was particularly attached to the classical economist Adam Smith and the liberal Tory politician William Huskisson, about whom and his contemporaries he eventually wrote a richly detailed, if idiosyncratic, book.<sup>97</sup> With deliberate anachronism, he described both Smith and Huskisson as a “liberal imperialist.”<sup>98</sup> He was himself a self-confessed “strong imperialist.”<sup>99</sup> As the world economy disintegrated, he affirmed his own belief in the same policies of trade liberalization, reciprocity, and imperial preference that Huskisson had pursued at the Board of Trade a century before.<sup>100</sup> The world economic crisis reopened fundamental questions about British interests. One answer was to revert fully to an “imperial economy” by

<sup>91</sup>Malcolm A. Robertson to Arthur Henderson, 17 June 1929, FO 371/13460, 33–49, at 40, 42, The National Archives, Kew.

<sup>92</sup>Ibid., 43; Emily S. Rosenberg, *Financial Missionaries to the World: The Politics and Culture of Dollar Diplomacy, 1900–1930* (Cambridge, MA, 1999), 122–50.

<sup>93</sup>H. S. Ferns, “Britain’s Informal Empire in Argentina, 1806–1914”; *Past and Present* 4/1 (1953), 60–75, at 63.

<sup>94</sup>For a sympathetic brief biography published by Gretton Books, which omits any reference to informal empire, Gault, *The Quirky Dr Fay*.

<sup>95</sup>C. F. Fay, *Huskisson and His Age* (London, 1950), ix.

<sup>96</sup>H. R. Kemp, “Charles Ryle Fay (1884–1961),” *Canadian Journal of Economics and Political Science* 28/3 (1962), 432–3, at 432.

<sup>97</sup>Fay, *Huskisson and His Age*.

<sup>98</sup>C. R. Fay, *Great Britain from Adam Smith to the Present Day: An Economic and Social Survey* (London, New York, and Toronto, 1928), 58.

<sup>99</sup>C. R. Fay, *Youth and Power: The Diversions of an Economist* (London, New York, and Toronto, 1931), 140. The preface is dated Toronto, 15 May 1930.

<sup>100</sup>Ibid., 139–40, 143–4.

reinstating preferential trade with the empire. This, however, would depend on the outcome of an imperial conference which was due to meet in Ottawa in July 1932.

Fay addressed the issue in an essay, "South America and Imperial Problems," published in the *University of Toronto Quarterly* in January that year.<sup>101</sup> He opened with general reflections about the rise and decline of empires, illustrating them with an extended historical survey before turning finally to the "moral" for contemporary economic policy: "With Huskisson liberalism and imperialism went hand in hand; so, too, with Adam Smith. But an imperialism which is grounded on greater obstruction to trade outside the empire will fail."<sup>102</sup> The essay's main theme was the contrast between the "economic" and "political" aspects of empire.<sup>103</sup> Bringing his chronological survey to the inroads of British traders into Spain and Portugal's monopolies in Latin America, he concluded, "If we think of political dominion, we shall turn with the Earl of Chatham from Guadeloupe [*sic*] to Canada and the mainland. If we think of economic power, verging on empire, we shall follow the slavers and freebooters to the South Seas."<sup>104</sup> The initial attraction had been precious metals and diamonds but soon the collapse of Spanish and Portuguese power created new opportunities for trade and political influence which were immediately grasped by British statesmen: "there were solid continental trading values in obviously weakening hands. [Viscount] Castlereagh and [George] Canning did little to advance political empire, but by their quickness to recognize the new states of Central and South America they did everything to advance economic empire in the new milieu of distant lands not belonging definitely to any old power."<sup>105</sup> By "economic empire," Fay was referring to what shortly he called "informal empire." It was a new element in his writing. The equivalent passage about Castlereagh and Canning's diplomacy in his recent textbook about British social and economic history did not mention empire at all.<sup>106</sup>

Fay's point was that parts of South America still belonged to Britain's "economic empire." The original conditions for their incorporation had been economic liberalization in Britain, regional stability in the Americas, and the acquiescence of South American governments themselves. By discouraging European intervention, the US Monroe Doctrine in 1823 allowed the second condition to be met. According to Fay, "Canning, in his brilliance, converted it into a charter of free trade with South America."<sup>107</sup> The United States, the "big brother," later used the Monroe Doctrine to justify its meddling in the smaller republics "to keep them solvent and free, as freedom is understood by American capitalists."<sup>108</sup> But

<sup>101</sup>C. R. Fay, "South American and Imperial Problems," *University of Toronto Quarterly* 1/2 (1932), 183–96.

<sup>102</sup>*Ibid.*, 193, 196.

<sup>103</sup>*Ibid.*, 183.

<sup>104</sup>*Ibid.*, 191–2. By the Peace of Paris in 1763 France exchanged all claims east of the Mississippi, including Canada, for Martinique and Guadeloupe.

<sup>105</sup>*Ibid.*, 192.

<sup>106</sup>Fay, *Great Britain*, 43–4.

<sup>107</sup>Fay, "South American and Imperial Problems," 192.

<sup>108</sup>*Ibid.*, 192–3. For the United States and "dollar diplomacy" see George C. Herring, *From Colony to Superpower: U.S. Foreign Relations since 1776* (Oxford, 2008), 369–76.

Britain had never wanted to interfere politically in the region. Although Argentina remained “an outpost of England’s economic empire, moving gradually into economic autonomy,” it was never so in an “invidious sense.”<sup>109</sup> England was “an old friend, and an honest trader from overseas.”

Fay returned to the theme in his Beit lectures in colonial economic history at Oxford in 1933.<sup>110</sup> Taking as his subject “imperial economy: its place in the formation of economic doctrine, 1600–1932,” he reused the 1932 essay for the second lecture (“The West Indies and South America”), elaborating its opening reflections and adding to the historical detail. He also inserted “informal” into the by now commonplace phrase “economic empire,” then dropped the original adjective entirely, producing a completely new term: “informal empire.”

In the second lecture, he contrasted the choices still facing policymakers after the Ottawa conference with the decisions made by British statesmen in the 1840s: “a new problem of imperial economy was presented [at Ottawa] which, stated summarily, is *Canada or the Argentine*: formal empire or informal empire. In the nineteenth century the dilemma was concealed by the general triumph of Free Trade. Now under the Ottawa Agreements it has come into the open.”<sup>111</sup> Fay had already indicated what he meant by “informal empire” in his opening remarks. Certainly, it was not the kind conceived by Edwardian critics of capitalist imperialism. In a later publication he echoed the prewar *Round Table*, remonstrating with Jenks that the British Empire “had never been run by gangsters or capitalists.”<sup>112</sup> His own notion was an empire of *laissez-faire*, a commercial empire in the sense in which Semmel’s free-trade mercantilists had conceived it, based on British industrial leadership and the protection of the British flag. This empire existed wherever British enterprise enjoyed a virtual monopoly, although there were circumstances in which it might coincide with “political” empire:

Economic empire is sometimes the seed from which political empire grows; whereas the latter all too often is an excess of centralization which culminates in disaster. Empire beginning as economic empire may pass through political empire into economic empire once again. Formally the latter state is not empire, but only a phase of what is called economic imperialism. But this expression is ambiguous. For it carries with it a notion of exploitation which it does not necessarily impose. Informal economic empire may arise on the ground vacated by another’s political empire. It may be formalized by treaty relations between political [*sic*] independent powers. So formalized it will become not more but less offensive to the younger, and originally passive, party to the arrangement.<sup>113</sup>

Fay was thinking about “empires” in the past and the present, in India as well as the thirteen colonies, and also in Latin America, whose economic status after Ottawa

<sup>109</sup>Fay, “South American and Imperial Problems,” 192.

<sup>110</sup>Published as *Imperial Economy* in 1934.

<sup>111</sup>Fay, *Imperial Economy*, 46; emphasis in the original.

<sup>112</sup>C. R. Fay, *English Economic History, Mainly since 1700* (1940) Cambridge, 1948), 209–10.

<sup>113</sup>Fay, *Imperial Economy*, 23.

still needed to be clarified.<sup>114</sup> It was also the closest he came to theorizing. For him “political empire” and “economic empire” were different categories; in fact, they were not even the same *type* of category. “Formally” economic empire was “not empire” at all: it was “a phase” through which a region passed as it was incorporated by a dominant metropole into a single economic system. The relevant distinction was between a specific form of polity (“political empire”) and a process (“economic imperialism”), although the latter did not necessarily involve the use of power or the imposition of a coercive, unequal relationship (“exploitation”).

Quite how Fay came to his new term, or why he needed it, cannot be known with certainty. Clearly, he already had a notion of informal empire (“economic power, verging on empire”) in his 1932 essay. There was, however, at least one alternative of which he was almost certainly aware. In 1932, his junior colleague at Toronto, Harold Innis (1894–1952), had himself contributed to the public debate about economic policy before the Ottawa conference.<sup>115</sup> In an article for the *Financial Post*, a Toronto business weekly, Innis commented on the likely adverse impact of a British wheat import quota on “supplies ... from the outer empire, for example Argentina.”<sup>116</sup> In a later essay, “outer empire” and Fay’s “informal empire” are used interchangeably: Britain’s “striking competitive advantages bound her formal and informal Empire more closely to her”; it “hastened the shift of energies in the outer Empire to internal exploitation.”<sup>117</sup> But the precise influence of one on the other is hard to determine. Fay and Innis, also a World War I veteran, collaborated at Toronto, where they coauthored a chapter on the maritime provinces for the *Cambridge History of the British Empire*.<sup>118</sup> They were also thoroughly familiar with each other’s work.<sup>119</sup> More to the point, Fay commented on parts of *Problems of Staple Production in Canada* (1933), in which Innis included a lightly revised version of his *Toronto Post* article.<sup>120</sup> Equally relevant, in 1931 Innis himself turned explicitly to economic factors in the growth of the British Empire in North America, extending his earlier work on staples in Canadian economic history.<sup>121</sup> He concluded an early paper on the fishing industry by contrasting the mercantilist

<sup>114</sup>A trade agreement was negotiated in 1933. Rooth, *British Protectionism*, 149–56.

<sup>115</sup>Innis joined the department as a lecturer in 1920, a year before Fay’s arrival.

<sup>116</sup>H. A. Innis, “Canada Needs to Pay Its Debts,” *Financial Post*, 9 July 1932, 9, reprinted with minor alterations as “The Imperial Economic Conference” in Innis, *Problems of Staple Production in Canada* (Toronto, 1933), 115–21.

<sup>117</sup>H. A. Innis, “Liquidity Preference as a Factor in Industrial Development,” *Transactions of the Royal Canadian Society of Canada* 37 (1943), 1–31, reprinted in Innis, *Political Economy in the Modern State* (Toronto, 1946), 168–200, at 185.

<sup>118</sup>C. R. Fay and H. A. Innis, “The Economic Development of Canada, 1867–1921 (continued): The Maritime Provinces,” in J. Holland Rose, A. P. Newton, and E. A. Benians, eds., *The Cambridge History of the British Empire*, vol. 6 (Cambridge, 1930), 657–71.

<sup>119</sup>Innis prepared the index for Fay’s *Great Britain* and cited him generally; Fay, *Great Britain*, vii; Harold A. Innis, *Essays in Canadian Economic History*, ed. Mary Q. Innis (Toronto, 1956), *passim*. For his part, Fay “read, I think, all ... [Innis] wrote in book form down to his magnum opus of 1940, *The Cod Fisheries*”; C. R. Fay, review of *Harold Adams Innis: Portrait of a Scholar* by Donald Creighton, *Economic Journal* 68/272 (1958), 822–4, at 823.

<sup>120</sup>Innis, *Problems of Staple Production*, ix. Fay also read and quoted early drafts of Innis’s *Cod Fisheries* where Innis himself cites “South American and Imperial Problems.” Fay, *Imperial Economy*, 59–60; Innis, *The Cod Fisheries: The History of an International Economy* (1940), rev. edn (Toronto, 1978), xv, 229 n. 2.

<sup>121</sup>Alexander John Watson, *Marginal Man: The Dark Vision of Harold Innis* (Toronto, 2006), 147–50.

“old Empire” before the American revolution with the “new Empire” based on responsible government, modern industry, and free trade.<sup>122</sup> Like Fay, Innis was addressing the contemporary situation as well as marking out the terrain for his next monograph. He reminded his audience that theirs was “a period in the history of the Empire when economic aspects are the subject of so much discussion” and returned to the present in his conclusion: “The staple producing areas have continued and increased in strength with their dependence on railways, to mention only the case of wheat in Canada. It remains to be seen whether the new Empire will be endangered by the inelasticity of economic and political structure created by a new and more powerful set of vested interests.”<sup>123</sup> Although Innis formulated the problem in his own terms, the moral for policy makers was the same as Fay’s: the “new Empire” included several “staple producing areas”; conflicting interests now threatened to break it apart.

These, however, are only possible indications of Innis’s influence on Fay. The focus of his work was firmly on Canada and, apart from the fugitive references quoted here, he had nothing else to say about the “outer Empire.”<sup>124</sup> What is certain is that the interests of each scholar converged in the early 1930s, that Innis’s was the more powerful and original intellect, but that the influences were reciprocal: Fay and Innis belonged to the same academic milieu, drew on the common stock of ideas, and reflected on the same contemporary events. On “imperialism,” however, the Canadian did make a lasting impression. Fay later observed in a personal tribute, “When we met at Toronto in 1921, he found me ... rather ‘imperialistic,’ but it did not take me long to find that his was the sort of imperialism after which I was feeling.”<sup>125</sup> It could only have been the liberal imperialism of the Beit lectures and Fay’s other writings in the early 1930s, one based on political autonomy, reciprocity, and mutual interest, at least as far as the white dominions were concerned. Finally, only Fay’s feel for language remains to be put on the balance. In the same tribute to Innis, Fay observed self-deprecatingly of their coauthored chapter for the *Cambridge History*, “I supplied the frills of style and he the governing idea and supporting facts.”<sup>126</sup> As it happened, “style” might be just as persuasive as a “governing idea and supporting facts.” Informal empire came to serve a need which no other combination of words satisfied.

Fay returned to informal empire for a final time in his contribution to the second volume of the *Cambridge History*. This chapter, “The Movement towards Free Trade, 1820–1853,” was the authority that Gallagher and Robinson cited. Fay’s theme was “the steady progress of the mother country to metropolitan stature

<sup>122</sup>H. A. Innis, “An Introduction to the Economic History of the Maritimes (Including Newfoundland and New England),” *Report of the Annual Meeting of the Canadian Historical Association* 10/1 (1931), 85–96, at 93–6.

<sup>123</sup>*Ibid.*, 85, 96. The analogy is with the “vested interests” that had arisen in the “old Empire.”

<sup>124</sup>The papers of Innis and Fay offer no further guidance. Innis’s surviving professional correspondence at the University of Toronto Archives includes no items earlier than 1937, possibly accounting for the two meagre references to Fay in Watson’s biography, where the archive is discussed. Watson, *Marginal Man*, 106–10. The substantial collection of Fay’s working papers at the Public Record Office of Northern Ireland contains little early material and nothing bearing on either the 1932 essay or the Beit lectures.

<sup>125</sup>Fay, review, 823.

<sup>126</sup>*Ibid.*, 823.

in an economic sense.”<sup>127</sup> He now emphasized the importance of the Royal Navy in providing security and the willingness of British ministers to use prestige and force to maintain order: “Free-trade England was in the safe keeping of [Sir Robert] Peel and [W. E.] Gladstone, but the free-trade Empire of their generation owed less to them than to [Viscount] Palmerston, the meddlesome Whig, who presided at the Foreign Office ... and to his strong servant Stratford Canning, ambassador *par excellence*.”<sup>128</sup> The state’s support was *indeed* necessary, but once freedom of access and security of property had been secured, British merchants and manufacturers did the rest: “By free trade they secured political empire, and something more, which we may call economic empire. Although imperialism was at a discount, empire itself was at a premium.”<sup>129</sup>

Fay had imagined a sphere of British commercial enterprise extending far beyond the boundaries of the political empire but connected to the metropolitan economy in the same way. It could be thought of as an “economic empire” because British commerce and investment dominated in particular regions and countries, sometimes to the point of monopoly. To survive, informal empire needed the support of British power and prestige. But mostly it owed its existence to individual merchants, financiers, and entrepreneurs, whose activities and global ambitions Fay, the son of a Liverpool shipping agent, illustrated with the example of the Liverpool-registered Pacific Steam Navigation Company. Since the 1840s, this enterprise had steadily extended its activities along the west coast of South America until it held the mail contract to Panama. Thus British shipping “crept along the continents and traded with all and sundry, now in the regions of formal empire, now in those of informal empire, now with an island whose crops or deposits could be easily lifted, and now with mainland ports which showed the way to the continental interior.”<sup>130</sup> Islands, ports, and continental interiors: all belonged to Britain’s “free-trade Empire.”<sup>131</sup> But it was largely an empire without politics. A further step was needed to arrive at Gallagher and Robinson’s hypothesis. Still, most of the essential elements—the vast expansion of British enterprise, the mutual support of commerce and power—were already there.

### A “great commercial republic”

When Keith Hancock reviewed Fay’s *Imperial Economy* in 1934 he felt that it was “precisely the merit of these lectures that they continually trace the outlines of inviting territory which awaits detailed exploration.” He was drawn particularly to how Fay had distinguished “political or formal Empire—‘Empire of the Flag’—from economic or informal Empire—‘Empire of Commerce’.”<sup>132</sup> Clearly, it struck him as something new. Hancock himself, however, preferred a different metaphor. Famously, in the opening pages of the second volume of his *Survey of British Commonwealth Affairs*, he rejected “imperialism” in both its liberal and Marxist

<sup>127</sup>Fay, “Movement towards Free Trade,” 414.

<sup>128</sup>*Ibid.*, 408.

<sup>129</sup>*Ibid.*, 414.

<sup>130</sup>*Ibid.*, 399.

<sup>131</sup>*Ibid.*, 408.

<sup>132</sup>W. K. Hancock, review of *Imperial Economy* in *Economic History Review* 5/1 (1934), 135–6.



senses as too imprecise a term for scholars: “Let others labour to split the *ism*. It is no task for the historian.”<sup>133</sup> Instead, borrowing from the American historian Frederick Jackson Turner, he conceived Britain’s economic expansion as a variety of moving frontiers, “the advancing fringe of a dynamic society.”<sup>134</sup> Hancock contrasted the fixed, static frontiers of political sovereignty—the sovereignty of empires—with the energy and mobility of economic frontiers. Left to themselves, merchants and others would always push beyond the boundaries of national sovereignty. It was possible to think of different types of economic frontier—frontiers of settlement (i.e. settler colonization), trade, investment, and plantation agriculture. In each instance, there was “no necessary connexion with any political frontier.”<sup>135</sup>

Hancock echoed Fay and Jenks when he described the spaces enclosed by these moving frontiers. Each could be associated with its own “empire”: empires of settlement, trade, and investment, for example.<sup>136</sup> But they existed only in a metaphorical sense: “Economic empire, we must repeat, is only empire by metaphor; it is ‘informal empire’; sometimes it is even ‘invisible empire’. Its frontiers do not coincide with the frontiers of political allegiance.”<sup>137</sup> Hancock himself chose his own “symbol” to represent those spaces. Certainly, the actions of the British state, “the bend of policy” culminating in the repeal of the Corn Laws and Navigation Acts in the 1840s, had been necessary and important.<sup>138</sup> But the essential impetus came from private individuals without reference to, or expectation of, assistance from the state. British merchants and their partners throughout the world had created a form of civil society—a bourgeois economic society—which did not recognize political frontiers and existed beyond national sovereignties.<sup>139</sup> This was the cosmopolitan world of the commercial middle class, “a *Great Commercial Republic*,” which stood for “the processes of economic specialization and exchange which united the nations in a reciprocally advantageous collaboration.”<sup>140</sup> Adam Smith had himself used the same “symbol” to describe those processes. According to Hancock it was “a better phrase than ‘empire of commerce’ ... for it suggests the ideally equal and reciprocal nature of commercial exchange.”<sup>141</sup>

<sup>133</sup>Hancock, *Survey of British Commonwealth Affairs*, 2. For appraisals see David Fieldhouse, “Keith Hancock and Imperial Economic History: A Retrospect Forty Years On,” in Madden and Fieldhouse, *Oxford and the Idea of Commonwealth*, 144–63; and Wm Roger Louis, “Sir Keith Hancock and the British Empire: The Pax Britannica and the Pax Americana,” *English Historical Review* 120/488 (2005), 937–62.

<sup>134</sup>Hancock, *Survey of British Commonwealth Affairs*, 3.

<sup>135</sup>*Ibid.*, 2–23, quote at 6.

<sup>136</sup>*Ibid.*, 6–7, 26.

<sup>137</sup>*Ibid.*, 27.

<sup>138</sup>*Ibid.*, 47.

<sup>139</sup>For a study of the kind of international society Hancock imagined see Charles A. Jones, *International Business in the Nineteenth Century: The Rise and Fall of a Cosmopolitan Bourgeoisie* (New York, 1987).

<sup>140</sup>*Ibid.*, 29; Hancock’s emphasis.

<sup>141</sup>*Ibid.*, 29 n. 2. For Smith, “This bullion, as it circulates among different commercial countries ... may be considered as the money of the great mercantile republic.” Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (1786), ed. R. H. Campbell, Andrew S. Skinner, and William B. Todd (Oxford, 1976), Bk 4, Ch. 1, para. 28, 443.

By setting a symbolic republic against a metaphorical empire, Hancock himself anticipated much of the later debate about informal empire, particularly the resistance many historians felt to the implication of political subordination they associated with empires of any kind. Yet even Hancock could not avoid mixing symbol and metaphor, particularly when, like Fay, he contemplated Britain's early industrial and commercial leadership:

The industrial revolution gave her a flying start on all her neighbours. British industry and commerce and finance could now have for the asking an "informal Empire" far wider than the formal Empire which Great Britain has lost [in North America], or any which she could hope to gain. If Great Britain chose to identify her interests with those of the Great Commercial Republic—and what other choice had she?—she could make herself its metropolis.<sup>142</sup>

As long as Britain dominated world markets, its public figures and merchants would offer "a quasi-religious allegiance to the Great Commercial Republic, because that society was equivalent in practice to the informal economic empire of Great Britain." The Royal Navy was "the guardian of its peace."<sup>143</sup>

Both Hancock and Fay had already moved some way in the direction in which Gallagher and Robinson would take the argument. By emphasizing the diplomacy of Castlereagh, Canning, and Palmerston and the pre-eminence of the Royal Navy, they had highlighted the political and strategic underpinnings of both "informal empire" and the "Great Commercial Republic." But Hancock also speculated about the possibility of a closer connection as suggested by the growth of Venice's empire in the eastern Mediterranean in the twelfth and thirteenth centuries: "The primary aim of Venice was not political power, but trade; she built her empire to safeguard her trade."<sup>144</sup> Force of circumstance and local necessity, however, had meant that Venice's political and economic frontiers became "entangled with each other."<sup>145</sup> Similarly, Britain had "never been backward in extending its political frontiers for strategic reasons; yet frequently its extensions of sovereignty have been unplanned and undesired"; often it was "pulled along by local economic and ideological forces."<sup>146</sup> This in turn suggested a fundamental question. Hancock asked, was there "a logic which sometimes connects the traders' frontier and the frontier of imperial rule, and sometimes rejects the task of connecting them?" Otherwise, if empire followed inevitably in the wake of commerce, "the greater part of the world, instead of a mere quarter of it, would have been painted red in the nineteenth century."<sup>147</sup> Hancock did not try to answer; the attempt was made by Gallagher and Robinson.

<sup>142</sup>Hancock, *Survey of British Commonwealth Affairs*, 47.

<sup>143</sup>*Ibid.*, 73.

<sup>144</sup>*Ibid.*, 7–10, at 7. Strikingly, in connection with "the purely commercial imperialism of Venice," the Austrian economist Joseph Schumpeter had questioned whether "we can speak of such a thing, and not merely of a policy of securing trade routes in a military sense." Joseph Schumpeter, "The Sociology of Imperialism" (1919), in Paul M. Sweezy, ed., *Imperialism and Social Classes*, trans. Heinz Norden (Oxford, 1951), 3–130, at 97.

<sup>145</sup>Hancock, *Survey of British Commonwealth Affairs*, 10.

<sup>146</sup>*Ibid.*, 10.

<sup>147</sup>*Ibid.*, 7.

## The imperialism of free trade

Two articles about informal empire were published in 1953. The first, by Gallagher and Robinson, appeared in August and is by far the better known. The second, "Britain's Informal Empire in Argentina, 1806–1914," by the Canadian scholar Harry Ferns (1913–92), followed in *Past and Present* in November. The timing for the latter could not have been worse. Ferns had been encouraged to study Argentina by Charles Fay, one of his doctoral supervisors at Cambridge.<sup>148</sup> He used "informal empire" in Fay's original nonpolitical sense. Like Fay, he did not define the term, nor did he use it in his text itself, referring once only to "the British financial and economic empire."<sup>149</sup> Nevertheless, he took to its logical conclusion Sir Malcolm Robertson's view of Argentina as "an essential part of the British Empire," seeing in Castlereagh's determined policy of noninterference in the early nineteenth century "the brilliant germ of the idea of Dominion status; the realization that military occupation, administrative control and political interference in the affairs of other communities are unnecessary to the interest of Great Britain."<sup>150</sup> Inadvertently, Ferns was describing the same collaborative bargain which was so fundamental to Gallagher and Robinson's argument.<sup>151</sup> He did not, however, cite their essay, nor is it likely he was aware of it before his own article was ready for publication. His understanding of "dominion status" was as it had been defined by the imperial conference in 1926. It did not involve political interference by, or subordination to, a dominant metropolitan power. By November 1953, however, this idea of informal empire was obsolete. "The Imperialism of Free Trade" had changed forever how historians understood the term.

Gallagher and Robinson were attacking two of the great orthodoxies of British imperial history in the middle of the twentieth century: the first, that the mid-Victorian period was characterized by disengagement and anti-imperialism; the second, which Gallagher and Robinson attributed ultimately to Hobson and Lenin, that it had been succeeded by a capitalist era of "new" imperialism.<sup>152</sup> Each implied a clear break in British imperial history, but the former also suggested a paradox which Fay, Hancock, and others had already started to probe. The editors of the same 1940 volume of the *Cambridge History* in which Fay's chapter had appeared observed, "It was a period of expansion, and yet the impression conveyed by our policy, except in India, is of an obstinate reluctance to extend the responsibilities of the Empire."<sup>153</sup> It was the same conundrum that Fay, Hancock, and Davidson had grappled with: where did "Empire" fit into the general "expansion"?

<sup>148</sup>H. S. Ferns, *Britain and Argentina in the Nineteenth Century* (Oxford, 1960), ix; Hyam, *Understanding the British Empire*, 488.

<sup>149</sup>Ferns, "Britain's Informal Empire in Argentina," 71.

<sup>150</sup>*Ibid.*, 63.

<sup>151</sup>For similar inadvertence by another critic when referring to Argentina's Mitre Law of 1907, Colin M. Lewis, *British Railways in Argentina 1857–1914: A Case Study of Foreign Investment* (London, 1983), 193.

<sup>152</sup>Gallagher and Robinson, "The Imperialism of Free Trade," 1–2.

<sup>153</sup>J. Holland Rose, A. P. Newton, and E. A. Benians, "Preface," in Rose, Newton, and Benians, *The Cambridge History of the British Empire*, vol. 2, v–ix, at viii. The same paradox was noted by Ritortus; "Imperialism of British Trade," 137.

Gallagher and Robinson responded with a hypothesis about a *continuous* imperialism of free trade.

Their argument is already well known and need only be summarized here. British history in the nineteenth century was fundamentally “the history of an expanding society.”<sup>154</sup> The initial impetus was given by industrialization, which “caused an ever-extending and intensifying development of overseas regions. Whether they were formally British or not, was a secondary consideration.” But expansion itself was many-sided, driven by the dynamism of British society itself: “exports of capital and manufactures, the migration of citizens, the dissemination of the English language, ideas and constitutional forms, were all of them radiations of the social energies of the British peoples.” To use a recent idiom, it combined several “projects”<sup>155</sup> Moreover, these “radiations” were essentially the activities of private individuals, like Dickens’s fictional Paul Dombey, who conducted their affairs independently of government: “expansion was not essentially a matter of empire but of private commerce and influence.”<sup>156</sup> This Gallagher and Robinson expressed most memorably in the opening chapter of *Africa and the Victorians: The Official Mind of Imperialism* (published in 1961, but started a decade earlier),<sup>157</sup> which incorporated and expanded their original essay. There they brilliantly ventriloquized the self-confidence, optimism, and hubris of the early to mid-Victorians:

Such were the instinctive Victorian assumptions about expansion. Ideally the British merchant and investor would take into partnership the *porteños* of the Argentine, the planters of Alabama, the railway-builders of Belgium, as well as the bankers of Montreal and the shippers of Sydney; together they would develop the local and metropolitan economies. But this collaboration meant much more than profits. A common concern for peace and liberal reform would knit together the enlightened groups of all these communities. At the same time the trader and missionary would liberate the producers of Africa and Asia. The pull of the industrial economy, the prestige of British ideas and technology would draw them also into the Great Commercial Republic of the world.<sup>158</sup>

Truly, as Dickens imagined the same year as Peel repealed the Corn Laws: the “earth was made for Dombey and Son to trade in,” just as it had been for any other British merchant who cared to look abroad in the 1840s.<sup>159</sup>

British imperialism was a consequence, but not necessarily an inevitable one, of “the totality of British expansion.”<sup>160</sup> It was characterized by an underlying continuity of objectives, even while its methods varied over time. Gallagher and Robinson defined imperialism as “a sufficient political function of this process of

<sup>154</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 5.

<sup>155</sup>For “projects” see Hall, “Introduction,” 16; Wilson, “Introduction,” 11.

<sup>156</sup>Robinson and Gallagher, *Africa and the Victorians*, 3.

<sup>157</sup>Robinson, “Oxford in Imperial Historiography,” 47.

<sup>158</sup>Robinson and Gallagher, *Africa and the Victorians*, 3–4; the debt to Hancock was unacknowledged.

<sup>159</sup>Charles Dickens, *Dombey and Son* (London, 1848), 2.

<sup>160</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 7.

integrating new regions into the expanding economy.”<sup>161</sup> This was a different understanding of economic imperialism to Hobson’s and Lenin’s, but still closer to theirs than to Fay’s. The power of the British state was deployed as necessary *throughout* the nineteenth century to ease the integration of potential satellites with the metropolitan economy. Imperialism, therefore, was not a function of a particular stage of capitalism. Moreover, the state always retained its autonomy and itself had no special interest in territorial acquisitions. Gallagher and Robinson also immediately qualified themselves, acknowledging that British imperialism was not always necessarily directly associated with economic expansion: “imperialism may be only indirectly connected with economic integration in that it sometimes extends beyond areas of economic development, but acts for their strategic protection.”<sup>162</sup> Yet this also insufficiently expressed their view of the reciprocal and mutually supporting relationship between British power and commercial success. Ultimately, “Power remained an end in itself.”<sup>163</sup> Thus what at first sight appeared to be a narrowly economic interpretation was tempered by political realism and possibly a sense also of the atavistic social drives to imperialism which owed more to Schumpeter’s recently translated essay than to the socialist influences of their youth.<sup>164</sup>

Gallagher and Robinson’s greatest innovation was to treat informal empire as a political as well as an economic category. In the first half of the nineteenth century, Britain’s national interest lay substantially in the growth of an informal economic empire in the sense in which Fay and Hancock understood it. But Gallagher and Robinson rejected “the old idea of informal empire as a separate, non-political category of expansion”: “What was overlooked was the inter-relation of its economic and political arms; how political action aided the growth of commercial supremacy, and how this supremacy in turn strengthened political influence. In other words, it is the politics as well as the economics of the informal empire which we have to include in the account.”<sup>165</sup> As opportunity arose, circumstances demanded, and the international situation permitted, the British state used its power and prestige to create openings for commerce and promote the conditions in which British enterprise might enter into mutually profitable collaborative partnerships with the local commercial classes: “Before the technique of collaborating classes would work, power must break open the world to free trade.”<sup>166</sup> In turn, wherever British enterprise took hold and new regions were attached to the metropolitan economy, the local balance of social and political interests shifted so that “commercial and capital penetration tended to lead to political co-operation and hegemony.”<sup>167</sup> Thus the power of the British state and the political influence of the indigenous commercial classes combined in the “imperialism of free trade.”

In fact, as we have seen, the connection between the “economic and political arms” of British expansion had not been overlooked entirely. It was already

<sup>161</sup>Ibid., 5.

<sup>162</sup>Ibid., 6.

<sup>163</sup>Robinson and Gallagher, *Africa and the Victorians*, 4–5; Louis, “Robinson and Gallagher,” 4.

<sup>164</sup>Schumpeter is cited by Robinson and Gallagher in *Africa and the Victorians*, 21.

<sup>165</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 7.

<sup>166</sup>Robinson and Gallagher, *Africa and the Victorians*, 5.

<sup>167</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 10.

apparent in Fay's contribution to the *Cambridge History*. Moreover, "political action" and "political influence" were two quite different things. The first was linked to something that could conventionally be understood as imperialism: intervention by, and possibly a continuing involvement of, the British state and its representatives "imperialistically" to bring about "satisfactory conditions for commercial or strategic integration."<sup>168</sup> This was the imperialism of gunboats, treaty ports, commercial agreements, and consular agents in places like China, Africa, and, as Gallagher and Robinson would have it up to the mid-nineteenth century, Latin America. The second was at best only indirectly attributable to acts of British governments. It originated in the calculations of politically dominant groups in self-governing societies that wanted to cultivate or deepen a close relationship with Britain. This might be, as in Latin America, because they wanted access to British markets, capital, and expertise, or, more straightforwardly, in the case of British colonists, because they also needed protection. John Darwin describes these variants respectively as the "eastern" and "western" models of informal empire.<sup>169</sup> Colin Newbury, more precisely, makes the distinction between "a narrow, political sense of government backing *for* economic influence, and ... a much broader sense of influence and control derived *from* economic activity, through trade and investment, independent of government."<sup>170</sup> Moreover, as Gallagher and Robinson were the first to acknowledge, the relationship between the political and economic arms of informal empire was often unconsummated. The results of British efforts to open markets and reform what they perceived as premodern regimes, as in China or the Ottoman Empire, were profoundly disappointing.<sup>171</sup> And where British commerce did eventually flourish in places like Argentina, it was because local political leaders welcomed trade and investment of their own accord, quite independently of any efforts of the British government to encourage the rise of an indigenous commercial class. Here an "imperialism of free trade" (the use of power to "break open the world to free trade") was unnecessary and redundant. There were no barriers to break down.<sup>172</sup>

There was a second important innovation in how Gallagher and Robinson conceived "informal empire." Their aim had been to reinterpret the nature and scope of British imperialism in the nineteenth century. They saw a fundamental continuity in which the main distinctions to be made were between the means chosen and the forms of political control—what Gallagher and Robinson called the "political lien"—established over a territory.<sup>173</sup> They argued that British governments always preferred to use power indirectly by informal means rather than involve themselves directly in the expense, inconvenience, and complications of imposing formal rule. Only when this was impossible and international conditions permitted was it prepared to consider incorporating a territory into the empire of sovereignty. Thus the

<sup>168</sup>Ibid., 6.

<sup>169</sup>John Darwin, "Imperialism and the Victorians: The Dynamics of Territorial Expansion," *English Historical Review* 112/447 (1997), 614–42, at 617.

<sup>170</sup>Newbury, "The Semantics of International Influence," 27, emphasis in original.

<sup>171</sup>Gallagher and Robinson, "The Imperialism of Free Trade," 9–10; Robinson and Gallagher, *Africa and the Victorians*, 5–6; Robinson, "Non-European Foundations of European Imperialism," 126.

<sup>172</sup>As Gallagher and Robinson also acknowledged in "The Imperialism of Free Trade," 9.

<sup>173</sup>Ibid., 7, for "political lien."



formal and informal empires were “essentially interconnected and to some extent interchangeable.” The difference was “not ... one of fundamental nature but of degree.”<sup>174</sup> Gallagher and Robinson concluded in a much-quoted phrase, “The usual summing up of the policy of free trade empire as ‘trade not rule’ should read ‘trade with informal control if possible; trade with rule when necessary’.”<sup>175</sup>

This argument had implications for how they thought about British power in the settler colonies in Canada, Australia, New Zealand, and southern Africa. It followed that, as long as Britain’s essential interests could be protected informally, the imperial authorities were willing to hand control to the colonists themselves. But Gallagher and Robinson went further by treating the formal status of a settler colony as irrelevant. What mattered was not constitutional forms but the fact that a political lien persisted: “responsible government, far from being a separatist device, was simply a change from direct to indirect methods of maintaining British interests. By slackening the formal political bond at the appropriate time, it was possible to rely on economic dependence and mutual good-feeling to keep the colonies bound to Britain while still using them as agents for further British expansion.”<sup>176</sup> Just as Gallagher and Robinson had brought Argentina and other sovereign states within the ambit of British political influence by redefining “informal empire,” so they asserted the continuity of British political influence in the self-governing dominions by defining it as informal. Later, Robinson described the white colonist in both Latin America and the British world as “the ideal, prefabricated collaborator.”<sup>177</sup>

For Gallagher and Robinson, the British Empire was like an iceberg. Concentrating only on the parts actually ruled by Britain was “rather like judging the size and character of icebergs solely from the parts above the water-line.”<sup>178</sup> Later they added, “The formal empire of rule was *but part of* the informal empire of trade and influence. Commercially speaking, colonies were the lesser part of the iceberg visible above the water-line.”<sup>179</sup> For Charles Fay’s original idea, it was a kind of apotheosis.

### A British world system

“The Imperialism of Free Trade” was a provocation, a calculated challenge by two young historians wanting to make a name for themselves. Robinson later described it as a “manifesto.”<sup>180</sup> Yet as Andrew Porter, an imperial historian of the next generation, observed, “Robust personalities attacking sacred cows with spiky epigrams inevitably risk providing semantic hostages.”<sup>181</sup> Among the examples of their “scientific hyperbole” (Anthony Hopkins) were their references to “the economic

<sup>174</sup>Ibid., 6, 7.

<sup>175</sup>Ibid., 13.

<sup>176</sup>Ibid., 4.

<sup>177</sup>Robinson, “Non-European Foundations of European Imperialism,” 124.

<sup>178</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 1.

<sup>179</sup>Robinson and Gallagher, *Africa and the Victorians*, 8, my emphasis.

<sup>180</sup>Robinson, “Oxford in Imperial Historiography,” 45.

<sup>181</sup>Andrew Porter, “‘Gentlemanly Capitalism’ and Empire: The British Experience since 1750?,” *Journal of Imperial and Commonwealth History* 18/3 (1990), 265–95, at 271.

control over Brazil,” “political co-operation and hegemony” subsequent to Britain’s “commercial and capital penetration,” and the “command” and “domination” of “those economies which could be made to fit best into her own.”<sup>182</sup> It meant that historians were divided from the outset. Harlow incorporated the entire argument into the second volume of *The Founding of the Second British Empire*, thus closing the circle of mutual influence.<sup>183</sup> Ferns repudiated it at the earliest opportunity: “Can the term imperialism be applied to Anglo-Argentine relations? If we accept the proposition that imperialism embraces the fact of control through the use of political power, then the verdict for Britain is unquestionably ‘Not Guilty’.”<sup>184</sup> Close scrutiny, however, did not begin until the late 1960s, when Platt first criticized Gallagher and Robinson’s thesis. Others soon focused on regional case studies.<sup>185</sup> Initially the debate was about free-trade imperialism in the mid-nineteenth century, but the period was soon extended beyond the 1860s. Latin American specialists questioned the existence of informal empire in South America, frequently treating the argument as a variant of dependency theory, which was understandable after Robinson himself borrowed the language of what he called “post-colonial ‘dependency’ theory.”<sup>186</sup> They were joined in the 1990s by “British World” historians, who doubted that “collaboration” had ever been a satisfactory model for the British settlers.<sup>187</sup>

Yet even as doubts were first expressed, Gallagher and Robinson’s influence was being consolidated by the publication in the mid-1970s of two influential textbooks by the latter’s students, which subsequently went through multiple

<sup>182</sup>Hopkins, *American Empire*, 23; Gallagher and Robinson, “The Imperialism of Free Trade,” 9–11.

<sup>183</sup>Harlow, *Founding of the Second British Empire*, vol. 2, 2–6.

<sup>184</sup>Ferns, *Britain and Argentina*, 487; reiterated in H. S. Ferns, “Argentina: Part of an Informal Empire?,” in Alistair Hennessy and John King, eds., *The Land That England Lost: Argentina and Britain, a Special Relationship* (London, 1992), 49–61, at 60.

<sup>185</sup>E.g. W. M. Mathew, “The Imperialism of Free Trade: Peru, 1820–70,” *Economic History Review*, 2nd series 21/3 (1968), 562–79; Richard Graham, “Sepoys and Imperialists: Techniques of British Power in Nineteenth-Century Brazil,” *Inter-American Economic Affairs* 23/2 (1969), 23–37; Jürgen Osterhammel, “Semi-colonialism and Informal Empire in Twentieth-Century China: Towards a Framework of Analysis,” in Mommsen and Osterhammel, *Imperialism and After*, 290–314; Newbury, “The Semantics of International Influence”; Thompson, “Informal Empire?”. Martin Lynn provided a review in “British Policy, Trade and Informal Empire in the Mid-Nineteenth Century,” in A. N. Porter, ed., *The Oxford History of the British Empire*, vol. 3 (Oxford, 1999), 101–21.

<sup>186</sup>Robinson, “The Excentric Idea of Imperialism,” 276. For critics see D. C. M. Platt, “Dependency and the Historian: Further Objections,” in Christopher Abel and Colin M. Lewis, eds., *Latin America, Economic Imperialism and the State: The Political Economy of the External Connection from Independence to the Present* (London and Atlantic Highlands, 1985), 29–39, at 32, 36–7; Thompson, “Informal Empire?”; Colin M. Lewis, “Britain, the Argentine and Informal Empire: Rethinking the Role of the Railway Companies,” in Brown, *Informal Empire in Latin America*, 99–123. An early influence on the dependency literature, the UN Economic Commission for Latin America’s report on “The Economic Development of Latin America and Its Principal Problems,” was published in an English translation in New York in 1950, but there is no evidence that Gallagher and Robinson had read it.

<sup>187</sup>British world historians wanted to reinstate the dominions in the mainstream of British imperial history. Carl Bridge and Kent Fedorowich, “Mapping the British World,” in Bridge and Fedorowich, eds., *The British World: Diaspora, Culture, and Identity* (London and Portland, OR, 2003), 1–15; Buckner, “Was There a ‘British’ Empire?”; Philip Buckner and R. Douglas Francis, eds., *Rediscovering the British World* (Calgary, 2005).

editions.<sup>188</sup> Ronald Hyam went so far as to describe his text as “an attempt ... to produce a full-scale book based on the framework put forward in 1953 by Gallagher and Robinson.”<sup>189</sup> Other scholars refined and added to the argument. John Darwin used the metaphor of the “bridgehead” to focus on the early phases of British activity in a region.<sup>190</sup> Cain and Hopkins, while presenting a new interpretation of British imperial history, still remained deeply indebted to Gallagher and Robinson’s key concepts.<sup>191</sup> They also suggested a fresh perspective on the distinction between formal and informal empires by using Susan Strange’s ideas about “relational” and “structural” power in international relations.<sup>192</sup>

Nevertheless, under the weight of critical scrutiny, the close coupling of formal and informal empires by the action of power was weakened. In the same essay which introduced the “bridgehead,” Darwin returned to the question why some places were incorporated into the formal empire while others stayed outside. He now emphasized the highly contingent nature of informal empire: “it represented the maximum influence that Victorian governments *could* exert in the classic arenas of informality, rather than the most they wanted to.”<sup>193</sup> It was what was left when you were unwilling or unable to assert your dominion, “not a policy nor even a recognized formula for the assertion of influence ... a pragmatic acceptance of limited power.”<sup>194</sup> In Darwin’s more recent work, Argentina is ranked, as Fay and other contemporaries had imagined, among the “‘informal’ colonies of commercial preeminence,” while—echoing Hancock—“sub-empires of settlement, [and] trade” coexist with the sub-empire of “rule.”<sup>195</sup> Finally, even the self-governing British dominions could not “be fitted into the Procrustean bed of ‘imperial collaboration’”; imperial authority “had to be based not so much on collaboration as on explicit consent.”<sup>196</sup> Thus much of the ground that Gallagher and Robinson had originally claimed was quietly abandoned.

Darwin had already acknowledged the tensions arising from the juxtaposition of two semantically distinct categories: “the full implications of that protean concept, the ‘imperialism of free trade,’ have yet to be worked out. The uneasy coexistence in the British system between an empire of trade and empire of rule remains at the heart of the imperial puzzle.”<sup>197</sup> It is a remarkable statement. We are back where

<sup>188</sup>Bernard Porter, *The Lion’s Share: A Short History of British imperialism, 1850–1970* (London and New York, 1975); Ronald Hyam, *Britain’s Imperial Century, 1815–1914: A Study of Empire and Expansion* (London, 1976); Hyam, *Understanding the British Empire*, 492.

<sup>189</sup>Hyam, *Britain’s Imperial Century*, 11.

<sup>190</sup>Darwin, “Imperialism and the Victorians,” 628–30.

<sup>191</sup>Cain and Hopkins, *British Imperialism*, 35–40 and *passim*.

<sup>192</sup>Hopkins, “Informal Empire in Argentina,” 477–8; P. J. Cain and A. G. Hopkins, “Afterword: The Theory and Practice of British Imperialism,” in Raymond E. Dumett, ed., *Gentlemanly Capitalism and British Imperialism: The New Debate on Empire* (London and New York, 1999), 196–220, at 204–5.

<sup>193</sup>Darwin, “Imperialism and the Victorians,” 617, emphasis in original.

<sup>194</sup>*Ibid.*, 619.

<sup>195</sup>John Darwin, *The Empire Project: The Rise and Fall of the British World-System, 1830–1970* (Cambridge, 2009), 1, 58.

<sup>196</sup>*Ibid.*, 16; Darwin, *Unfinished Empire*, 233.

<sup>197</sup>John Darwin, “Globalism and Imperialism: The Global Context of British Power, 1830–1960,” in Shigaru Akita, ed., *Gentlemanly Capitalism, Imperialism, and Global History* (Basingstoke and New York, 2002), 43–64, at 60.

Fay and Hancock had left the problem. Ultimately, Darwin finds his solution by collapsing the empires of trade and rule into a single British “world-system” which allows him “to convey ... that British imperialism was a global phenomenon; that its fortunes were governed by global conditions; and that its power in the world derived rather less from the assertion of imperial authority than from the fusing together of several disparate elements.”<sup>198</sup> In this, he followed John Gallagher himself, who solved the puzzle in the same way and thereby left the original iceberg metaphor of “The Imperialism of Free Trade” in its final form: “the ‘empire,’ as a set of colonies and other dependencies, was just the tip of the iceberg that made up the British world system as a whole, a system of influence as well as power which, indeed, preferred to work through informal methods of influence when possible, and through formal methods of rule only when necessary.”<sup>199</sup> Gallagher was giving the Ford lectures at Oxford in 1974, the same year as the first volume of Immanuel Wallerstein’s *Modern World-System* was published.<sup>200</sup> It may have only been a coincidence. Nevertheless, by imagining a “world system,” Gallagher solved for himself the problem of naming empire by choosing a different name.

## Conclusion

Commenting on the hypothesis of “The Imperialism of Free Trade,” Robinson said, “the notion came from reshuffling earlier concepts, changing trumps and dealing a fresh hand.”<sup>201</sup> One of those “earlier concepts” was informal empire. Gallagher and Robinson acknowledged that they were taking a term that was already part of the lexicographical repertoire of imperial historians and extending its meaning: informal empire was a political as well as an economic “category of expansion”; it was what Fay had imagined and then something more. For each of the historians discussed here, the term allowed them to formulate narratives of economic imperialism counter to those received from Hobson, the neo-Marxists, and their successors. For Fay, Britain’s economic imperialism was essentially the benign expression of an expansive commercial society with the enormous advantage of having first experienced the Industrial Revolution. At most, power had been an auxiliary. Hancock was ambivalent about Fay’s metaphor but succumbed to it nevertheless. He also wrote in the shadow of the capitalist theory, referring himself in an early text to “the stupendous energies of England’s economic imperialism.”<sup>202</sup> Yet, for Hancock too, this imperialism was essentially benign, hence his insistence that economic empire was “only empire by metaphor” and preference for the Great Commercial Republic as an alternative “Symbol” of the intricate dependencies created by the growth of the international economy in the nineteenth century.<sup>203</sup> Gallagher and Robinson came to informal empire through Fay and Hancock.

<sup>198</sup>Darwin, *Empire Project*, xi.

<sup>199</sup>Gallagher, *Decline, Revival and Fall*, 75.

<sup>200</sup>Immanuel Wallerstein, *The Modern World-System*, vol. 1 (New York, 1974).

<sup>201</sup>Robinson, “Oxford in Imperial Historiography,” 46.

<sup>202</sup>W. K. Hancock, *Australia* (London, 1930), 11; Robinson, “Oxford in Imperial Historiography,” 40; Etherington, *Theories of Imperialism*, 218–23.

<sup>203</sup>Hancock, *Survey of British Commonwealth Affairs*, 27.

Like them, they drew on several sources for the ideas they associated with the term. Theirs also was a counternarrative to “Hobsonian ‘imperialism,’” which they dismissed as “defective” because it focused only on “formal manifestations of imperialism” after 1880.<sup>204</sup> Imperialism was “a sufficient political function of ... [the] process of integrating new regions into the expanding economy,” the expanding informal economic empire of the Victorians, which also was a new sphere of British political influence.<sup>205</sup> Thus informal empire ceased to be a “sterile” concept, and the nineteenth-century empire became “intelligible” “within the total framework of expansion.”<sup>206</sup>

Gallagher and Robinson’s reception has reflected the different ways in which they could be read as well as the different versions of their argument one might choose: Gallagher and Robinson in tandem, or Robinson alone. As Stefan Collini has written about a different term in another context, informal empire now “exists at the centre of a network of related, and sometimes antagonistically charged, senses.”<sup>207</sup> Underlying these tensions is the problem of stretching a single category—empire—to cover virtually all other forms of non-territorial power and influence. Much historiographical effort has been expended in trying to bridge the gap.<sup>208</sup> By imagining a “world system,” John Gallagher, followed by Darwin, proposed an alternative which arguably encompassed more satisfactorily, if less elegantly, the full range and complexity of the relationships contributing to Britain’s international status in the nineteenth and twentieth centuries. As something simultaneously *greater* and *less* than empire, it also allowed for the possibility that imperialism may not necessarily lead to, or even be directed to, the creation of empire and that power may derive from several sources and be experienced in different ways: it can constrain choices (recall the power of “material interests”) as well as actively coerce. Herman Merivale was talking about an emerging world system at the end of the 1860s when he described “an empire, in all but in name.”<sup>209</sup>

Darwin, like his predecessors, has insisted on the highly contingent nature of this world system, how it depended on, and was shaped by, external conditions outside Britain’s control.<sup>210</sup> In his respect, he adds to—and is echoed by—recent approaches which have viewed the entire history of modern Britain similarly.<sup>211</sup> It may be too early to say whether world system will catch on as a new key term.<sup>212</sup> We can be confident, however, that informal empire will survive. The

<sup>204</sup>Gallagher and Robinson, “The Imperialism of Free Trade,” 2, 7.

<sup>205</sup>Ibid., 5.

<sup>206</sup>Ibid., 7.

<sup>207</sup>Stefan Collini, *Absent Minds: Intellectuals in Britain* (Oxford, 2006), 15.

<sup>208</sup>Most notably and systematically Newbury, “The Semantics of International Influence”; but also Osterhammel, “Semi-colonialism and Informal Empire,” 290–314; Thompson, “Informal Empire?”; and A. G. Hopkins, “Informal Empire in Argentina.”

<sup>209</sup>Merivale, “The Colonial Question in 1870,” 174.

<sup>210</sup>Darwin, *Empire Project*, 5–6; Gallagher and Robinson, “The Imperialism of Free Trade,” 7; Gallagher, *Decline, Revival and Fall*, notably the Ford Lectures.

<sup>211</sup>James Vernon, “The History of Britain Is Dead; Long Live a Global History of Britain,” *History Australia* 13/1 (2016), 19–34, where “world system” is referenced at 26.

<sup>212</sup>But see Marc-William Palen, “Empire by Imitation? US Economic Imperialism within a British World System,” in Martin Thomas and Andrew S. Thompson, eds., *The Oxford Handbook of the Ends of Empire* (Oxford, 2018), 195–211; Karl Hack, “Unfinished Decolonisation and Globalisation,” *Journal of Imperial*

two main reasons are also the most obvious. First is the term's power as language and style, the satisfying symmetry and balance it offers as the counterpart and complement of its formal equivalent.<sup>213</sup> The second is the necessary function it evidently still serves as shorthand for the power and influence of an expansive polity which is projected or experienced beyond the strict limits of territorial control, however that might be felt or categorized. It was this sense of empire that the Abbé de Pradt had in mind in 1817 when he wrote about a “superiority ... changed into empire,” and what moved a president of Uruguay in the 1890s to report that he felt like “the manager of a great ranch, whose board of directors is in London.”<sup>214</sup> Informal empire may never be empire in the literal sense of the word, but assuredly it deserves its place among its extended meanings.

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and *Commonwealth History* 47/5 (2019), 818–50; Benjamin Mountford, “Colonial Australia, the 1887 Colonial Conference, and the Struggle for Imperial Unity,” *Journal of Imperial and Commonwealth History* 47/5 (2019), 912–42.

<sup>213</sup>Frederick Cooper himself succumbs in *Colonialism in Question*, at 180.

<sup>214</sup>Pradt, *Colonies*, 121; Julio Herrera y Obes in 1890, quoted in Peter Winn, “British Informal Empire in Uruguay in the Nineteenth Century,” *Past and Present* 73/1 (1976), 100–26, at 112.

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