Britain's Imperial Economy

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The historiography of the British empire has long exuded a somewhat musty air, like a relict of glory preserved in faded regimental standards, hanging forlornly in English cathedrals or expressed in the overblown Edwardian baroque of the imperial capital. Even the names of the leading academic posts—such as the Rhodes professorship of Imperial History—now seem retrograde. The initiative has clearly moved elsewhere: as the empire's former subjects would scarcely wish to see their history written through the eyes and institutions of the colonizer, the history of India or Australia, Jamaica or Canada have forsaken the view from Whitehall and the governor's mansion, to become *national* history.

Similarly, since the 1960s economic historians concerned with patterns of trade and industrialization have not usually thought in terms of the British empire as the obvious unit of analysis. Eric Williams's claim that the profits of slavery were critical to the accumulation of capital for industrialization was almost routinely rejected, in favor of emphasis on the internal sources of funding.[1] Although Eric Hobsbawm continued to argue for a Marxist–Leninist account of imperial expansion as forestalling the crisis of capitalism, most historians were skeptical.[2] The growth of the empire seemed to be more the result of pressures on the periphery than of metropolitan forces[3]—and if there *were* metropolitan forces at work, perhaps they came from a fusion of landed and financial interests rather than from industry.[4] Indeed, many economic historians wondered whether the costs of the empire did not in fact outweigh its economic benefits, imposing a tax burden on the metropole and distorting policy debates to the detriment of domestic industry.[5] The growth of the empire might simply have formed one part of a larger process of the creation of a world economy. The cotton mills of Lancashire were spinning cotton from the American south; British urban consumers were eating meat from Argentina; and City financiers were pouring far more money into the republics of the Western Hemisphere than into Britain's own overseas possessions. One way of approaching the mismatch between British economic hegemony and political control was through the concept of "informal imperialism" (also known as the "imperialism of free trade"), spawning a controversy that fueled endless articles and theses.[6]

There are signs that imperial history is now experiencing a revival, as the musty banners of imperial victories and glorious defeats are taken down, and new themes are pursued as

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[1] Williams, *Capitalism and Slavery*.
[2] The classic statement is his *Industry and Empire*.
[3] For example Robinson, "Non-European Foundations."
[4] Cain and Hopkins, *British Imperialism*.
[5] The major statements of these two positions are Davis and Huttenback, *Mammon*, and Cain and Hopkins, *British Imperialism*.
[6] The original contribution was Gallagher and Robinson, "Imperialism."

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postcolonial history. In the fifth volume of this overarching account of the rise and fall of the British empire, the main historiographic trends are set out and the field's current state surveyed. One important theme is cultural, which involves feeding back the empire into British domestic history by making a link with current work on national identities. How did the emergence and loss of the empire affect the identities of different groups within Britain, be they dispossessed Highland Scots who joined the army, or Baptist missionaries raising funds in chapels in industrial cities to convert (and emancipate) slaves in the West Indies? How was racial identity constructed, or sexual relations defined? Such concerns are now making the history of the empire much more central to British cultural history; similar trends are apparent also in economic history, breathing new life into somewhat stale debates. Arguably, the empire is turning out to have been much more central to the process of British industrialization than was suggested in writings of the 1970s and 1980s, though not in the way proposed by Williams and Hobsbawm. In many ways, the cultural historians have been at the center of the new wave of interest in imperial history. What role is there for economic historians, and how has this massive (and impressive) five-volume survey dealt with the economic dimensions of the rise and fall of the greatest empire in modern history?

As Nicholas Canny argues, the origins of the British empire are to be found in the private interests of merchants rather than in the concerns of state, which only became involved on any scale in the second half of the seventeenth century—and even then might easily have surrendered the empire in any European peace settlement. The interest of merchants was, according to John Appleby, the result of a disruption of European trade networks which led them to direct involvement in trade (or plunder) to obtain goods. Unfortunately, these merchants remain somewhat anonymous, and there is scant attention to the contentious arguments of Robert Brenner on the role of the "new merchants." Did the reorientation of trade imply a shift in the composition of the London mercantile community, and a new perception that the commercialized, capitalist world of England could be served by exotic goods produced by plantations? After all, why *should* the crisis in European trade mean imperialism or overseas settlement and exploitation—and why was there such demand for these exotic commodities within England?[7]

The explanation favored in *The Origins of Empire* tends to downplay economic factors, and somewhat neglects the existence of any colonial trading complex within the metropole. Indeed, one criticism of the series as a whole is its inattention to the metropole as part of the wider imperial or world economy. Canny points to militant Protestantism, which aimed to create a rival to the power of the Spanish empire and Catholicism, and to the experience of colonization within the British Isles. Colonization and settlement were used by the Romans and the Anglo-Normans to spread civility and order to Wales, Scotland, and Ireland. "Planters" were settled in Ireland—and now in North America, as a continuation of a westward movement. Plantations suggested that the wilderness or waste was brought into bountiful production under the grace of God, providing useful commodities. The nature of the process is summed up in the name of the body established in 1660 to supervise the various projects: the Council of Trade and Plantations. Secular concerns were now in the ascendant: the enemy was the Dutch as much as the Spaniards, and Charles II realized that colonial trade was a source of customs revenue. As shown by Michael Braddick, the development of trade and plantations increasingly interested a state eager to extract military and fiscal resources. The colonies were seen as sources of prosperity, for the crown, for merchants, and for industrialists. Consequently the nature and process of empire

[7] Brenner's *Merchants and Revolution* is cited briefly in Braddick's chapter in Volume I (pp. 292 and 302), without really setting out either Brenner's case or a critique. For a related attempt to explain the rise of plantations and slavery in terms of the demands of European consumers, see also Blackburn, *Making*.

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changed, in the later seventeenth century, to an assertion of dominion and of trade monopolies in the Navigation System. The empire was essentially based on the Atlantic, with Caribbean sugar (and to a lesser extent Chesapeake tobacco) supporting the economy of New England and creating a slave trade with Africa, a web of connections analyzed in excellent chapters by Hilary Beckles, James Horn, and P. E. H. Hair and Robin Law.

As Anthony Pagden argues, one of the more striking features of the process of plantation in the new world was the emphasis on rights over land rather than over people. To John Locke—at one time secretary of the Council of Trade and Plantations—ownership depended on the mixing of labor with the land, something the native Americans supposedly failed to do. The Roman notion of *terra nullius* offered an easy means of appropriating land from people who no more possessed it than did wild animals roaming the wilderness. Any initial attempt at accommodation with the native peoples soon gave way to appropriation, as shown by Peter Mancall. Initially, the British empire was based not on the conquest of land legitimately occupied by its original inhabitants (as in Mexico or Peru), so much as on bringing waste into production, supplying sugar and tobacco to British consumers. The analysis stops at this point, without raising some of the wider implications for the process of economic development within Britain, for example how the appropriation of land weakened Malthusian limits on British resources, or how colonial commodities transformed tastes and expectations.

These points are still more apparent in the second volume, on the eighteenth century, which chronicles the defeat of the French, Spanish, and indigenes in North America, and the consequent expansion of plantation agriculture and the slave trade. The dominant position of British traders in the slave trade is analyzed by David Richardson, and the experiences of blacks and native Americans by Philip Morgan and Daniel Richter. The turning point was victory in the Seven Years' War, which left Britain with the only European empire of any significance—an astonishing achievement for a latecomer to imperialism. Patrick O'Brien offers a dual explanation which can, in part, be read back into the seventeenth century. On the one hand, he argues that the British economy had structural peculiarities which allowed private enterprise to turn its attention overseas: the existence of a skilled industrial workforce; the ability of agriculture to release resources without sacrificing output; cheap and elastic supplies of coal; and the success of merchants in organizing trade. On the other hand, the state was highly successful in raising taxes and loans for naval and military victories. In his view, the process of imperialism and economic development was now driven by the state, with the consent of agrarian, commercial, and industrial interests who were united in the pursuit of strategies to assist trade. Overall, the outcome of imperial expansion was a complex web of trade linking together the metropole and colonies, with the prosperous West Indian sugar colonies at its center. Of course, all these successes were challenged by the loss of the Thirteen Colonies, and the volume closes with the turn to the East, which came to dominate imperial thinking in the nineteenth century.

Many of these chapters are excellent, providing lucid and accessible guides to the main trends. But an economic historian might wish to go a bit further in teasing out the connections between trade, imperialism, and the domestic economy. One of the shortcomings of imperial history has long been the relative neglect of its domestic ramifications, as if the economic history of the British empire were a thing apart from the history of Britain. The implication of O'Brien's chapter is that support for the empire was not confined to a particular group of "gentlemanly capitalists" created by a fusion of landed and financial interests, an amalgam some historians consider to be the driving force of expansion. The expansion of empire did rest on the use of military force and official borrowing, but O'Brien argues that the process was supported by a wide range of industrialists and traders, in pursuit of a national strategy of economic growth. Of course, there were also tensions between eco-

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nomic interests within Britain, as O'Brien's work elsewhere has shown. For example, was the East India Company to be allowed to import Indian muslins, even if this threatened the market for domestic wool cloth, and thereby heightened political pressure for relief of the poor?[8] Unfortunately, the metropole is somewhat excluded from the analysis of the economic significance of empire or (a distinction not often made with the care it deserves) trade.

P. J. Marshall, in his brief assessment of the economic consequences of the empire for Britain, contrasts the Marxist story of plunder for capital accumulation in British industry with the argument of the chapters by Jacob Price and O'Brien that the existence of an imperial market for manufactures did more to stimulate industrialization. As O'Brien remarks, about half of the increment of industrial production was exported in the two periods of expansion, from 1700 to 1760 and from 1780 to 1801. But we should press the argument much further. Of course, the ability of people to escape from the land was a central feature of British economic history in the eighteenth century, allowing them to move into British towns and industry, as well as to migrate overseas on a large scale. However, James Horn's account of the diaspora from Britain does not consider the demographic consequences for those who remained. There is a similar failure to link colonies and metropole in the assessment of trade. We might accept that the profits from slavery were not critical in providing capital for industry. However, we can go somewhat beyond the distinction drawn by Marshall. The doctrine of *terra nullius* and the expropriation of land in the New World (and of slave labor from Africa) offered a massive injection of resources into the British economy, arguably on a scale surpassing coal in removing the Malthusian limits on growth. Kenneth Pomeranz sees this appropriation of land in the new world as the key to the divergence between Europe (especially Britain) and the highly commercial, productive economies of parts of India and China. The products of land at the periphery were equivalent to 9 million acres of British land in 1815, compared with the contribution of coal, which was equivalent to 15 million acres; by 1830, the contribution of the new lands *exceeded* that of coal.[9] One way of considering the process is as a massive redistribution of the world's resources from native peoples to Britain.[10] Migration to the colonies influenced one side of the Malthusian equation, helping to hold down population growth in the late seventeenth and early eighteenth centuries.[11] Appropriation of land affected the other side of the equation. Further, the consumption of colonial products shaped the economic behavior of British workers. In his chapter on the West Indies J. R. Ward notes the "peculiar British taste for sugar," the largest single import by the end of the eighteenth century. Annual per capita consumption in Britain was four lbs. in 1700 and 20 lbs. in 1800; in France, consumption was a mere 2 lbs. a head in the 1780s. Of course, the consumption of sugar was linked with other commodities from the empire and beyond: tea, coffee, chocolate, and the porcelain and silverware needed to serve them. Could it be that these colonial goods provide the basis for an "industrious revolution"? Jan de Vries has argued that the taste for these new goods induced British workers to reallocate their energies in the household economy in order to produce a larger cash income to purchase these desirable commodities.[12] We need to insert the domestic taste for exotic commodities into our account of the commercialization and industrialization of Britain, and the expansion of the empire.

[8] See, for example, O'Brien et al., "Political Components."

[9] Pomeranz, *Great Divergence*, p. 276.

[10] For one attempt to measure the value of production prior to British settlement, see Butlin, *Economics and the Dreamtime*. Butlin argues that the value of production by the aborigines in Australia was not passed by the combined white and aboriginal production until 1850.

[11] Wrigley and Scofield, *Population History*.

[12] De Vries, "Between Consumption" and "Industrial Revolution."

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Here we start to encounter a problem with imperial history: how can it be distinguished from the histories of trade, of the world economy, of globalization? One of the weaknesses throughout the series is that little is said about the way goods were produced and entered into trade. The demand for slaves connected with internal African trade, but it also disrupted the continent's economies and societies. In the North American fur trade goods were supplied through gift exchanges or in return for trade goods, in either case distorting the social systems of the native peoples. Sugar and tobacco were supplied by intensive cultivation on plantations; other commodities such as tea and spices were purchased from farms operated by indigenous producers and merchants. Manufactures came from highly sophisticated protoindustrial districts, such as the muslin weavers of Bengal or the Chinese porcelain kilns. It would be interesting to know more about the organization of production in these different areas of the world: How were finance and credit provided? How did merchant networks link producers and consumers across the globe? How was risk handled? How was labor effort assured? How did the incursion of large-scale demand from British or European markets affect producers, as a force for disruption or an opportunity for prosperity? The trade in many manufactures, as well as some foodstuffs, remained outside the empire, and British merchants needed to work with their indigenous counterparts: how did different notions of trust and varying commercial codes affect the business? As Pomeranz argues, the process of protoindustrialization in Bengal or the Yangzi delta had much in common with British industrial districts until the start of the nineteenth century, when the "great divergence" occurred.

The volume on the eighteenth century concentrates much more on the formal political role of the empire, on the loss of the Thirteen Colonies and on the East India Company's transition from trade to sovereignty. In many ways, these twin stories of failure and success link with O'Brien's emphasis on the British state's use of fiscal and military power to acquire an empire. The Colonies were reluctant to make grants to the metropole for their own defense; at the same time, the Company acquired powers of taxation and military force. The chapters on India are particularly impressive, showing the interconnections between forces within Indian society and their opportunistic exploitation by the Company. Marshall argues that the Company was not moving into a vacuum caused by political anarchy with the demise of the Mughal empire and economic collapse; rather, it was able to exploit the opportunities offered by new regional authorities and a prosperous economy. The British offered loans and military commanders, penetrating the Indian polity and obtaining taxing powers by means of which it financed its own commercial and military ventures. As Huw Bowen argues, the Company came to rely on commerce as a way of transferring its surplus territorial revenues to Britain. This practice was seen by many as a corruption of commerce by tribute, leading to demands for a freeing of trade and greater crown supervision of the governance of India.

In the nineteenth century, as Andrew Porter remarks, the empire merged into a global range of British interests, within a more integrated world economy. Peter Cain suggests that the empire never regained the economic position it held in 1776, and that imperial considerations did not dominate Britain's international economic policy, which came to rest on free trade and cosmopolitanism. Both people and capital were likelier to migrate beyond the empire's borders than within them. How is one to write the economic history of the empire at a time when Britain was the world's hegemonic industrial and financial, as well as naval and military, power?

Of course, it is still possible—even desirable—to consider the empire as a system of governance, without falling into a narrow Whitehall-centered view of the world which simply reduces highly disparate parts of the world to a common story resting on nothing more than the identity of their rulers. Richard Drayton (for the eighteenth century) and

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Robert Stafford (for the nineteenth) show how the British state created a network of imperial science from London, to map the botanic and geological resources of the world and to make navigation safe. The empire was crucial to the structure of British science and medicine, and vice versa: the learned professions contributed to, and benefited from, efforts to locate minerals or plants, and to control the tropical diseases that hindered their exploitation. The empire was a system of knowledge, often operating through the machinery of the state, in the metropole as well as the colonies.[13] Such ideas may be taken a step further. The empire entailed fiscal extraction, the shaping of legal systems, the imposition of tenurial regimes, the creation of welfare systems, and the definition of economic policies. These issues were discussed within an imperial administrative and political system. Obviously, there were tensions between the various parties involved in Whitehall and in the colonies, and yet we do need to consider the role of the imperial state and metropolitan considerations as one force at work.

Arguably, an opportunity is missed. In his chapter on the political economy of empire from 1880 to 1914, E. H. H. Green suggests that there was no real design to turn the empire into a coherent economic structure, and that the arguments for constructive imperialism or imperial federation came to little. The simple formula—a liberal trading order for a liberal empire—failed in the face of messy reality. What is so disappointing is that he concentrates on the failure of the formula of constructive imperialism, without really analyzing the nature of a "liberal" empire of free trade, with all that implies for the structure of both white settlements and indigenous societies.

There are hints in several chapters of the sort of story that could be told. Could a liberal empire mean the continued use of indentured labor or debt bondage, most obviously in the mass migration from India to other parts of the empire (considered in the chapter by David Northrup)? And did free trade imply that Indians had the right to settle in Canada, or black and Indian sailors to enter Australia on British mail ships subsidized by the state?[14] Similar tensions arose over land policy. In a splendidly spirited chapter on India from 1818 to 1860, David Washbrook argues that tenurial systems were redefined with the prime aim of extracting revenue for the Raj. It was not simply that the demands were heavy; it was also that the process of taxation changed the balance of Indian society. In Bengal revenue demands were fixed and paid by newly aggrandized *zamindar* landowners, who henceforth enjoyed greater extractive power over their tenants. In other districts the British collected revenue directly from peasants, through a *ryotwari* system which allowed continuous adjustment of the tax burden; they were squeezed by high demands. At the same time India's vast system of artisan production for internal markets was disrupted, both by the inflow of goods from British factories and by the crisis in Indian credit and commerce. At least until the opening of the opium trade to China in 1860, British merchants were forced to use Indian silver to buy Chinese goods, so reducing the supply of money. To make matters worse, British rulers and traders gradually abandoned Indian bankers and credit systems, thereby weakening further the autochthonous financial sector. These issues were played out in other areas of the world, but are not really treated systematically here. The British state's thirst for revenue was a constant theme, a preoccupation which might as easily lead to the *survival* of native title as to its extinction. A local governor might well decide that the easiest way to raise revenue was by working with local chiefs and "native treasuries," and by confirming their title to land (albeit within a subtly new intellectual system). The result, in some cases (as in Nigeria and the Gold Coast), might be to exclude British firms wishing to establish plantations. The outcome rested on the local balance between imperial agents and indigenous peoples, and also on the play of ideology in the

[13] Drayton, *Nature's Government*.
[14] See Offer, *First World War*.

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metropole. After all, not everyone in Britain—not even within the colonial office—agreed that Australia was *terra nullius*;[15] and, as Andrew Porter reminds us, free trade was a moral crusade, a humanitarian impulse, not simply a crude economic calculus.[16]

The definition of a liberal empire was a serious concern in the areas of white settlement as well as in the colonies of conquest. It was one thing to appropriate land from Native Americans, Australian aborigines, Maori, or Xhosa, but what form of white settler society should then be created? Here again there were differences within the colonies and in Whitehall. Should land be held by the crown and sold, and if so, should it be alienated to large owners in hopes of recreating the social hierarchy of the English countryside? Or would modest settlers "squat" on the land, acquiring it through the simple act of possession, and create a class of independent yeoman farmers? Such debates reflected power struggles within the colonies, and debates in the metropole about the economic efficiency and social desirability of different tenurial systems.[17] It also connected with debates over welfare policy. Clearly, the desirability of the Poor Law was central to debates over the creation of a liberal economy in Britain in the early nineteenth century: should it be abolished, or at least reformed on the lines of Scotland, where the able-bodied poor had fewer rights, and more money was instead spent on education? The Poor Law was adopted through much of the empire of settlement, but it was subsequently abolished in upper Canada and New Zealand, and it was never adopted in Australia. Welfare was seen as the responsibility of families, and was entrusted to the widespread possession of property assets. But what would happen as the population aged and the new generation wished to secure farms of their own and resented having to support the aged? The solution might be old-age pensions, as in New Zealand, or the creation of a high-wage economy behind tariff walls, as in Australia.[18] Such debates took place within an imperial polity, and some of the ideas fed back into British debates over welfare policy at the start of the twentieth century.

The other way of proceeding with the history of the British empire at a time when British power extended beyond the formal system of rule is to turn to the well-established notion of informal imperialism, which has had such surprising longevity since it was put forward in 1953.[19] This approach involves a reassessment of both British ambitions and the capacity of other states or interests to resist them, in Argentina or China, Peru or Japan. As Alan Knight suggests in his chapter on Latin America, a better word might be "dependency"; or as Jurgen Osterhammel puts it in the case of China, the seizure of economic advantage by unequal legal and institutional arrangements. Or we might recur to B. R. Tomlinson's notion of "ecological imperialism," to describe the way Britain (and other western countries) imposed alien land uses on the capitalist neo-Europes of Australia and Argentina, and on the tropical periphery in and beyond the empire.

Inattention to the metropole is compounded by the lack of concern for some of the most important agents of economic power within the imperial and nonimperial world: bankers, merchants, and shipping companies. Significantly, the term "gentlemanly capitalism" does not appear in the index. It is surely right to move away from any simple assumption that imperialism in the later nineteenth and twentieth centuries rested on a renewed fusion of the City of London and the state, to the exclusion of industry. What we do not have is a sense of how to redefine the relationships between metropole and the international economy. We need to ask where power resided in the international financial system, a problem that is scarcely touched on except for a passing mention of the "drain theory," the argument

[15] See the debates outlined in Reynolds, *Law of the Land*.
[16] On the moral economy of free trade, see Trentmann, 'Political Culture."
[17] For an account of the politics of land in Australia, see Roberts, *Squatting Age*.
[18] For an account of the welfare system in New Zealand, see Thomson, *World*.
[19] Gallagher and Robinson, "Imperialism."

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of Indian nationalists that Britain was sucking specie out of the Subcontinent. In a somewhat bland essay on India after 1860, Robin Moore minimizes the drain, yet he has nothing to say about the politics of the rupee and the management of the Indian monetary system. Again, in Australia the "squatters" who supplied wool to the London market needed credit, and bitterly resented the power of the great London merchant houses. One answer was for local banks or mercantile agencies to enter the market, offering finance and attempting to cut out the London merchants. Such issues are not considered in any systematic way, within or beyond the formal empire. Nor are the agents of mineral extraction or plantation agriculture really considered. In some cases the task was undertaken by British industrial concerns, but more typically it fell to loosely organized trading companies. The literature has been dominated by the transformation of merchants such as Barings into merchant banks—a trend of considerable importance in supplying capital to Argentina. The result may be to distort our understanding, by exaggerating the shift into "pure" finance and away from trade and industry. Other merchants houses grew into multinational trading companies, straddling empire and nonempire, handling particular commodities such as copper or sugar throughout the world, or providing a wide range of services within one particular area. They emerged from Glasgow and Liverpool as well as the City, and focused on goods demanded by British industries and households. Their structure was often amorphous and loose, so they are less readily identified than the great merchant banks, with their links to the upper levels of the social élite and their seats on the board of the Bank of England. Their neglect stems also from the hegemony of American models of multinational enterprise, which business historians often take to be the sole measure of rational behavior. These British trading companies did not grow out of domestic production: instead, they exploited a range of professional skills, information, and human relationships to intermediate between different regions of the world. In addition to appropriating resources, they judged risk and reputation, thereby creating trust across cultures. They might work with the British imperial state and other political powers, or against them.[20] One way of escaping the old debates over formal and informal empire, and of strengthening the link with the nature of metropolitan society, is through a careful analysis of the operation of these agents of British economic and financial power.

Perhaps the empire was simply not worth the effort, imposing costs on Britain which could have been avoided by relying instead on trade at arm's length. Avner Offer uses a counterfactual model to suggest that imperial trade added at most 5 to 6 percent to Britain's national income between 1870 and 1914, and that imperial investment added very little. But he also suggests two other factors should be considered before the empire is dismissed from British economic history. The real welfare benefit came through the supply of cheap grain and other commodities to metropolitan urban consumers; and the "new Britannias" of white settlement added 40 percent to "national" product as defined in a cultural rather than a geographic sense. These areas saw themselves culturally as part of Britain—as witness the manpower and resources made available to Britain in the two world wars. In his contribution to Volume IV, David Fieldhouse prefers not to pose the counterfactual; instead, he concentrates on the desired or expected benefits, and the policies pursued to achieve them. The First World War, and then the depression after 1929, convinced most British politicians that the empire *was* an essential prop of the British economy, and that it should be buttressed through protectionism and through intensified exploitation of the tropics—a view which remained powerful up to the late 1950s. Fieldhouse outlines the state's use of trade regulations, monetary policy, and investment in pursuit of such a vision of the empire, but his assessment of whether the desired benefits *were obtained* is disap-

[20] For an excellent account see Jones, *Merchants to Multinationals*.

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pointingly slight, and even temporizing. Perhaps that is an accurate reflection of the British official mind. Tomlinson provides a complementary analysis of the economics of the empire as seen from the periphery. Of course, British interests might be seen as different from, or even hostile to, those of the colonies and dominions, which might have preferred to develop their own industries rather than buy British goods. Indeed, Tomlinson arrives at the pessimistic conclusion that "British rule did not leave a substantial legacy of wealth, health, or happiness to the majority of the subjects of the Commonwealth."

This leaves a very large question that is not really addressed in Volume IV: Did British policies use the empire to sustain the metropolitan economy, at the expense of the former but without conferring lasting benefits on the latter? One problem is the demarcation between British and imperial historians. A historian of interwar Britain might well argue that returning to the gold standard in 1925 harmed British industry, and that coming off gold in 1931 was beneficial. But how would that look from the colonies, which likely experienced difficulties in exporting to the British market after the collapse of gold? If the British empire was based on trusteeship, was that trust misplaced? Volume IV raises in a very acute form the problems of writing a history of the British empire. An answer to the question of the economic impact of empire on Britain would need to assess more carefully the debates over economic policy, and the extent to which the state's pursuit of empire foreclosed options that were exploited in other industrial economies. We would need to look carefully at the attitudes of various actors, especially the extent to which the trading companies, commodity producers, banks and shipping lines, felt that the empire and imperial state was a support or a threat. There is always a danger, not entirely avoided here, that the history of the empire in the twentieth century may become no more than a collection of different national histories and an account of British policies towards the empire. What is lacking is a larger framework of comparison with other hegemonic powers—beginning with the Dutch and Spanish and ending with the Americans—with a careful unpacking of the burdens of strategic power apart from the empire.[21] And is it appropriate to compare the British empire, as Dominic Lieven attempts to do, with the Ottoman and Habsburg empires?[22] Whatever the answer, there is no doubt that these authoritative volumes show that the history of the British empire is far from a musty and faded *genre*. The empire is dead; long live postcolonial history.

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[21] Kennedy, *Rise and Fall*.
[22] Lieven, *Empire*.

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