

# LAISSEZ FAIRE AND LITTLE ENGLANDERISM: THE RISE, FALL, RISE, AND FALL OF THE MANCHESTER SCHOOL

By Gregory Bresiger\*

**W**ar Follows Protection. Peace Follows Free Trade. As David Ricardo said, “If you want peace, starve the government.” Adam Smith believed that trade both refined the manners and improved the standard of living of a people.<sup>1</sup> Throat cutting and xenophobia decline with the growth of internationalism.

For those who love liberty, war is the greatest tragedy, said Senator Robert Taft.<sup>2</sup> Taft died having expressed his doubts about NATO, the Korean War, and the foundations of the post-World War II welfare-warfare state. Surely, Taft and other libertarian critics wouldn’t have liked George Bush’s New World Order, President Clinton’s meddling in Haiti, or his confused attempt to bring peace to the Balkans. Taft believed that war, and war scares, represented the ultimate centralization of state power, a time when governments could and often would accumulate huge powers that weaken private-property rights and destroy liberty. These powers, libertarian critics feared, might not be returned to the people once the war was over.<sup>3</sup>

Indeed, some Socialist philosophers didn’t want these economic liberties returned. Collectivists John Dewey and Stuart Chase, impressed by the government’s takeover of various sectors of the economy during World War I, believed it proved the gov-

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<sup>1</sup>Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (London: Penguin Books, 1986) book III, p. 508.

<sup>2</sup>Quoted in Justin Raimondo, *Reclaiming The American Right: The Lost Legacy of the Conservative Movement* (Burlingame, Calif.: Center for Libertarian Studies, 1993), p. 151. Also see Ronald Radosh, *Prophets on the Right: Profiles of Conservative Critics of American Globalism* (New York: Simon and Shuster, 1975), pp. 147–95.

<sup>3</sup>James Joseph Martin, *American Liberalism and World Politics* (New York: Devin-Adair, 1964), vol. 2, p. 1278. Also, *Cold War Critics: Alternatives to American Foreign Policy in the Truman Years*, Thomas Patterson, ed. (Chicago: Quadrangle, 1971), especially Murray Rothbard’s comment: “The prevailing trend, certainly among the intellectuals of the Old Right, was a principled and trenchant opposition to war and its concomitant destruction of life and liberty and all human values” (p. 167). Also see John T. Flynn, *As We Go Marching* (New York: Free Life Editions, 1973).

ernment's efficiency in organizing production and distribution, as well as proving the usefulness of wage and price controls. These wartime methods could and should be used in peacetime, collectivists believed, to provide full employment, wipe out inequities, and create an American utopia.<sup>4</sup> After World War II, a less timid, more imperial federal government was ready to take on permanent powers, managing the economy just as it attempted to remake major parts of the world in the image of a "great" America. Henry Luce's "American Century" had arrived.<sup>5</sup>

### THE PRICE OF EFFICIENCY

But friends of liberty have warned that this efficiency was illusory, and that it would endanger the rule of law, as governments turned emergency powers into permanent powers. Constitutional safeguards would be at risk as they had been during the War Between the States, World War I, and World War II, said libertarian critics.<sup>6</sup> War and warlike conditions, or periodic panics, become permanent. War becomes "the health of the state," a *raison d'être*.<sup>7</sup> It also leads to citizens who are more likely to accept the destruction of civil liberties and view dissent as tantamount to treason. Normally reasonable people support irrational actions, such as the incarceration of loyal Japanese-Americans during World War II, or Britain's oppressive Defense of the Realm Act during World War I,<sup>8</sup> or the Sedition Act during the

<sup>4</sup>Stuart Chase, *The Economy of Abundance* (Port Washington, N.Y.: Kennikat Press), p. 310. Also see John Dewey, *Individualism Old and New* (New York: Minton, Balch, 1930). For an effective criticism of this point of view, see Walter Lippmann, *The Good Society* (New York: Grosset and Dunlap, 1956), p. 35. Lippmann, whose book was originally published in the 1930s, restates many classical-liberal principles in the midst of the Great Depression.

<sup>5</sup>Robert E. Herzstein, *Henry Luce* (New York: Scribner's Sons, 1994), pp. 179–85. Also see Graham White and John Maze, *Henry A. Wallace: His Search for a New World Order* (Chapel Hill: University of North Carolina Press, 1995), pp. 292–93.

<sup>6</sup>Radosh, *Prophets on the Right*, pp. 147–95.

<sup>7</sup>Randolph S. Bourne, *War and the Intellectuals* (New York: Harper Torchbooks, 1964), pp. 3–14, 69. Bourne writes: "[W]ar is essentially the health of the State." Indeed, the Anglo-American experiences during World Wars I and II, as well as the endless buildup of the military-industrial complex of the last half century, which are indisputably a reversal of the traditions of American limited government and pacific foreign policies, validate the observations of Bourne and Tocqueville.

<sup>8</sup>Richard Shannon, *The Crisis of Imperialism, 1865–1915* (London: Hart, Davis, MacGibbon, 1974), p. 465. Indeed, measures like The Defense of the Realm Act, were so oppressive that the English monarchy felt compelled, because of the anti-German mood stirred up by the law, to change its name from Hanover to Windsor. The Battenbergs, a famous noble family of German heritage who had lived in Britain since the mid-nineteenth century, changed their name to Mountbatten. Prince

same period in America, which saw tens of thousands of Americans jailed for nothing but their anti-war opinions. These actions are deliberately used by cynical government officials to unite the people against a common enemy.

Special war powers are justified by those arguing for a loose-construction interpretation of the president's powers.<sup>9</sup> The danger is that many aspects of "Constitutional Dictatorship,"<sup>10</sup> justified by some as the survival tactics of a republic under fire, become permanent. A nation will often stay on a war footing long after the hostilities have ceased. McCarthyism was not an accident.

A permanent war economy develops. Inefficient businesses survive solely because of political connections that lead to huge state contracts.<sup>11</sup> Economic and political freedoms are lost. A corporate-military complex dominates the nation. Even the end of Communism, which had previously been the ostensible reason for the departure from American principles of non-interventionism and free-market economics in the 1940s, failed to bring peace, as Americans are ready to countenance the dispatch of troops anywhere in the world.

### MANCHESTERISM: ANTI-WAR LIBERTARIAN CRITICS

Taft, in his inspired dissent, was often branded an "isolationist," as are most anti-war critics to this day. Taft was merely

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Louis of Battenberg, who had been a leader at the Admiralty at the outset of the war, was driven out of his post by anti-German feeling. See Richard Hough, *The Mountbattens* (New York: Dutton, 1975).

Americans weren't much better once their nation entered the war. Some colleges tried to stop the teaching of German. Eugene V. Debs, who represented the anti-war wing of the Socialist Party, was sent to jail. H.L. Mencken wrote eloquently of this in his essay, "Star Spangled Men," in *The Vintage Mencken*, Alistair Cooke, ed. (New York: Alfred A. Knopf, 1978).

<sup>9</sup>Lincoln's great defender during the War Between the States was William Whiting, a government attorney who wrote *The Government's War Powers Under the Constitution of the U.S.* (Glorieta, N.M.: Rio Grande Press, 1975), which justified Lincoln's war power use by claiming it was within his power as commander-in-chief.

<sup>10</sup>See Clinton Rossiter, *Constitutional Dictatorship: Crisis Government in the Modern Democracies* (New York: Harcourt, 1963). Rossiter, a defender of Lincoln's wartime destruction of civil liberties, nevertheless concedes that constitutional dictatorship can lead to evil.

<sup>11</sup>Arthur R. Ekirch, *The Decline of American Liberalism* (New York: Atheneum, 1967), pp. 314-36. In the introduction, Ekirch writes of a trend that Taft and the Manchesterites fought against: "Individual freedom continues to be threatened by the forces of nationalism and war—and the resulting concentration of ever greater powers in the institutions of the modern state and its corporate adjuncts." Also see, by the same author, *The Civilian and the Military* (New York: Oxford University Press, 1956). Also see Radosh, *Prophets on the Right*.

expressing the concerns of the Libertarian Old Right,<sup>12</sup> following a tradition that can be traced in part to the Manchester School, a radical group of parliamentary members in Victorian England. They were also known as the Little Englanders, or the Peace Men.<sup>13</sup> Generally, they weren't pacifists, but they proclaimed themselves as followers of Adam Smith, who saw peace, a reduction in government expenditures, and free trade as vital characteristics of prosperous, free societies. They fought the same battles as Taft and those consistent friends of liberty who today call for the dismantling of the American imperial state both at home and abroad.

Manchesterism, like libertarianism today, was a philosophy ridiculed by nationalists and jingoists in Victorian England, who called it hopelessly utopian and isolationist. Lord Palmerston, the leading minister in mid-nineteenth-century England, thought it was nonsense.<sup>14</sup> That's not surprising because, as we can see today, it's hard to break imperial habits, as so many people have an economic, emotional, or political stake in a permanent warfare-welfare economy. Proposed base closings today can cause a flurry of anger in the United States, even in the case of bases or forts that were originally built to defend against Indian attacks!<sup>15</sup>

#### MANCHESTERISM: VICTORIAN LIBERTARIANISM

An anti-empire, pro-capitalism philosophy of peace was developed by middle-class radicals Richard Cobden (1804–65), a Manchester manufacturer of calicos, and John Bright (1811–89), a Rochdale mill owner.<sup>16</sup> Never big enough in Parliament to form a

<sup>12</sup>See Radosh, *Prophets on the Right*.

<sup>13</sup>A.J.P. Taylor, *The Trouble Makers: Dissent over Foreign Policy, 1792–1939* (New York: Atheneum, 1958), pp. 40–66. They were also sometimes referred to as the Peace Party, although they never made up a formal political party.

<sup>14</sup>Taylor, *The Trouble Makers*.

<sup>15</sup>There are many reports and books that one can cite about government waste. One that comes immediately to mind is Brian Kelly, *Adventures in Porkland: How Washington Wastes Your Money and Why They Won't Stop* (New York: Villard Books, 1992). In one of the more outrageous episodes of this book, the author relates how Pennsylvania's federal representatives kept the Philadelphia Naval Yard open even though the military didn't want the ships it was producing. Said Senator Arlen Specter, in an example of political double talk straight out of a Professor Irwin Corey routine: "My concern is for national defense, but there is a concern for my state" (pp. 97–98).

<sup>16</sup>Francis Wrigley Hirst, *Free Trade and Other Fundamental Doctrines of the Manchester School* (New York: Augustus Kelley, 1968).

government, the Manchester group nevertheless influenced several governments that couldn't ignore its popularity in and out of Parliament. In 1846, at the height of the agitation to defeat the Corn Laws (tariffs on imported grains), it was dubbed the Manchester School by Disraeli,<sup>17</sup> because so many its leaders were from Manchester.

This philosophy rejected balance-of-power concepts, the Realpolitik ideas<sup>18</sup> championed by Lord Palmerston, twice prime minister in the mid-Victorian period, Count Metternich of the Hapsburg Empire, Count Otto von Bismarck of Prussia, and, in our time, Henry Kissinger. Cobden believed these power politics arguments were a specious intellectual justification for wars, and that any commitment to defending a balance of power was open-ended, and would bankrupt the nation through endless rounds of futile and immoral wars. Cobden wrote,

War is a monster, whose appetite grows so fast by what it feeds on that it is quite impossible beforehand to measure its capacity for consumption, and the only safe way is to be provided with far more than at any given time seems likely required for its support.<sup>19</sup>

### THE COSTS OF WAR

War was not only evil, the Manchester School taught, it was also so expensive that it would destroy liberty and ruin the nation as it had other imperial states that had overdosed on a diet of bread and circuses,<sup>20</sup> the same points made later by Albert Jay Nock, Garet Garret, Taft, and others on the Old Right in the 1930s and 1940s as America took the fatal steps away from her own Little Englander foreign policies.<sup>21</sup> Credulous journalists, who often whooped it up for wars at the outset,<sup>22</sup> rarely toted up

<sup>17</sup>Donald Read, *English Provinces, c. 1760–1960: A Study in Influence* (London: Arnold, 1964), p. 151.

<sup>18</sup>Hitler and other power-mad nationalists despised Manchesterism, seeing it as treasonous because of its internationalist and pacific principles. Two entries in Hitler's *Mein Kampf* (New York: Houghton, 1966), pp. 93 and 120, accuse Manchesterism of being a foreign disease carried into the German-speaking world by Jews. This crackpot hatred represents another aspect of silly Zionist conspiracy theories.

<sup>19</sup>Richard Cobden, "What Next—And Next?" in *The Political Writings of Richard Cobden* (New York: Garland Publishing, 1973), vol. 2, p. 503.

<sup>20</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 2, p. 498.

<sup>21</sup>Raimondo, *Reclaiming the American Right*.

<sup>22</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 2, p. 571. Cobden's warning of the tendency of some in the press to warmonger is relevant to our times. One thinks of the television networks, and especially CNN, for their fawning coverage

the butcher's bill once victory was achieved. Said Cobden, surveying the results of one "victorious" war:

Now what do we see in London? Twenty or thirty thousand unemployed workmen. Why are they unemployed? You don't find that the newspapers connect cause and effect. They are unemployed because capital is scarce. Who will lay out his money in building houses, to pay him at a rate of 6, or 7, or 8 percent, if he can get that percentage for the money he puts in the banks? Consequently there is no money being invested in buildings, because you have now such a high rate of interest. And why is there such a high rate of interest? Because the floating capital of the country has, during the last two or three years, been wasted in sudden and extraordinary expenses. But you don't see your newspapers, that were bawling for the war, honestly tell the people in London that the reason that they are suffering want of employment is that this floating capital, which is always a limited quantity—the floating capital which sets all your fixed capital in motion—has been exhausted, wasted by the course that has been pursued."<sup>23</sup>

Think of the aftermath of George Bush's Gulf War of 1990, and of presidential candidate Bill Clinton's 1992 ability to exploit America's weak economy.<sup>24</sup> Cobden would have easily analyzed and criticized the American welfare-warfare complex as well as the effect of runaway government spending and its by-product, a huge national debt, something he frequently criticized.<sup>25</sup> Once a pattern of war and debt is established, Cobden warned, interventionism and great power politics become the norm.

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of the recent Gulf War. Anchor people became cheerleaders for murderous policies. I also think of David Halberstam's much celebrated *The Best and the Brightest* (New York: Random House, 1972). Few Americans seem to know that this former *Times* man was part of a hawkish press that in the early 1960s called for America to make a stand in Vietnam against Communism. See Deborah Shapley's *Promise and Power: The Life and Times of Robert McNamara* (Boston: Little, Brown, 1993), p. 253.

<sup>23</sup>Richard Harbut Dawson, *Richard Cobden and Foreign Policy* (London: MacMillan, 1926), pp. 119–20.

<sup>24</sup>Bill Clinton, *Putting People First: How We Can All Change America* (New York: Times Books, 1992).

<sup>25</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 1, p. 113. Cobden warns that "unreflecting minds" never consider the consequences if Britain were ever "unable to meet the interest on the debt." That's something Americans ought to think about today when we consider our own massive red ink. See *The Bipartisan Commission on Entitlement and Tax Reform* (Washington, D.C.: Government Printing Office, 1994), p. 79, which graphically illustrates our government's \$14 trillion in unfunded liabilities. Within 15 years, the commission warns, entitlement spending will eat up the whole federal budget. Another useful book detailing runaway spending is Alfred L. Malabre, *Beyond Our Means: How America's Long Years of Debt, Defaults and Reckless Borrowing Now Threaten to Bankrupt Us* (New York: Random House, 1987).

As Cobden wrote in 1836,

Our history during the last century, may be called the tragedy of British intervention in the politics of Europe; in which princes, diplomatists, peers and generals, have been the authors and actors—the people the victims; and the moral will be exhibited to the latest posterity in 800 millions of debt.<sup>26</sup>

These high levels of debt, Cobden said, have to be supported by higher and higher levels of taxation. The average person is impoverished paying for these special interests, whether they are government contractors or military costs or favored manufacturers or farmers who receive protection or Sam Donaldson and his millions in farm subsidies.<sup>27</sup> The goal of the special interests, said Milner Gibson, a leader of the Manchester School, is:

to get possession of men that we may make them work for our own profit, or to take possession of the fruits of their labour is equally and always slavery; there is no difference but in the degree.<sup>28</sup>

This economic misery caused by out-of-control government spending eventually generated schemes by reformers to use the state, which created the problem by its aggressive foreign policy, to eradicate poverty. The war in Vietnam was fought at the same time that Lyndon Johnson fought his war on poverty. Both were futile and led the nation to disaster, and to an endless cycle of more government programs to correct previous rounds of programs. However, Cobden had little use for patronizing government welfare schemes, believing it was better for working people not to become dependent on government largesse.

I do not partake of that spurious humanity which would indulge in an unreasoning kind of philanthropy at the expense of the great bulk of the community," he wrote in a letter early in his public career. "Mine is the masculine species of charity, which would lead me to inculcate in the minds of the labouring classes the love of independence, the privilege of self-respect, the disdain of being patronized or petted, the desire to accumulate, and the ambition to rise. I know it has been

<sup>26</sup>Cobden, "The Balance of Power," in *The Political Writings of Richard Cobden*, vol. 1, p. 196.

<sup>27</sup>Sir Louis Mallet, intro. to *The Political Writings of Richard Cobden*, vol. 1, p. xii.

<sup>28</sup>Nicholas C. Edsall, *Richard Cobden, Independent Radical* (Cambridge, Mass.: Harvard University Press, 1981), p. 424. This Cobden scholar states that British liberalism in the late nineteenth century would change from an individualist strain to one of paternalism, a development that would have shocked Cobden and other Manchester School members. Writes Edsall, "Suspicious of the power and the profligacy of the state, he could not have accommodated himself to the social welfare liberalism of the late twentieth century."

found easier to please the people by holding out and flattering and delusive prospects of cheap benefits to be derived from Parliament rather than by urging them to a course of self-reliance, but, while I will not be the sycophant of the great, I cannot become the parasite of the poor.<sup>29</sup>

### THE HISTORY AND PHILOSOPHY OF MANCHESTERISM

The Manchester School's greatest period of influence was in the early and mid-Victorian periods, roughly 1835–1874,<sup>30</sup> which began with the publication of Cobden's first great pamphlet, *England, Ireland and America*.<sup>31</sup> This four-decade period coincided with the high-water mark of laissez faire and anti-imperialism in England. The peace party carried on the principles of Adam Smith and limited government. Of course, the members of this group weren't the first thinkers to make the connection between peace and liberty, or who saw free trade as a vital part of this equation of prosperity.

Philosophers David Hume, Immanuel Kant,<sup>32</sup> and Baron de Montesquieu,<sup>33</sup> among others, have depicted trade as a moderating factor that deters wars and leads people to love peace for the prosperity it brings. Perhaps the most well-known statement of the idea is Hume's comment that calls for his countrymen to put aside centuries of nationalistic prejudices in the interests of promoting an international prosperity:

I shall therefore venture to acknowledge that, not only as a man, but as a British subject, I pray for flourishing commerce of Germany, Spain, Italy, and even France itself. I am at least certain that Great Britain and all those nations would flourish more, did their sovereigns and ministers adopt such enlarged and benevolent sympathies toward each other.<sup>34</sup>

<sup>29</sup>Hirst, *Free Trade and Other Fundamental Doctrines of the Manchester School*, p. xii.

<sup>30</sup>Taylor, *The Trouble Makers*.

<sup>31</sup>Richard Cobden, *England, Ireland and America* (Philadelphia: Institute for the Study of Human Issues, 1978).

<sup>32</sup>See Immanuel Kant, *The Philosophy of Kant* (New York: Modern Library, 1982), p. 455, where he says:

It is the spirit of commerce which sooner or later takes hold of every nation. For since the money power is perhaps the most reliable among all the powers subordinate to the state's power, states find themselves impelled (through hardly by moral compulsion) to promote the noble peace and try to avert war by mediation whenever it threatens to break out anywhere in the world.

<sup>33</sup>Baron de Montesquieu, in *The Spirit of The Laws*, vol. 1, p. 316, said, "Ou il a du commerce, il y a des moeurs douces" ("Where there is commerce, there are good manners").

<sup>34</sup>David Hume, *Essays: Moral, Political and Literary* (Indianapolis, Ind.: Liberty Classics, 1987), vol. 1, part 2, no. 6.



A nineteenth-century supporter of the Manchester School put the issue more crudely: “Men think twice before they cut the throats of those who are perpetually filling their coffers.”<sup>35</sup>

The Manchester School should be credited with taking these ideas and molding them into a coherent philosophy. Capitalism came to represent peace and “the death of war,” says one philosopher of liberty. “Richard Cobden,” he writes, gave this spirit “its lofty moral tone, and gave Britain her abiding interest in peace.”<sup>36</sup>

Some of these ideas were put into effect by a few of the governments of early- and mid-Victorian England. That these victories were ultimately reversed by “the Socialists of all parties”<sup>37</sup> is not an argument against Manchesterism, which produced many victories for peace and prosperity. The Manchester School made significant contributions to classical-liberal traditions, contributions which many Americans today lamentably have forgotten or never learned in state schools.<sup>38</sup>

The ignorance of the benefits and responsibilities of liberty is because Americans have become conditioned to depending on the leviathan state for entitlements while supporting or at least ignoring it in its frequent battles with foreign foes. But it is this myopia that blinds many Americans to the link between war and collectivism as well as the connection between free markets and peace. The Manchester School faced these problems before the American Old Right, and before the recognition of the military-industrial complex by a lame duck president who, in his farewell address, understood its wastefulness, but apparently had lacked the resolve to dismantle it.<sup>39</sup> American libertarians for the last

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<sup>35</sup>Lord Hobart, *The Mission of Richard Cobden* (London: Cassell, 1867), pp. 18, 36.

<sup>36</sup>Bernard Porter, *Britain, Europe and the World, 1850–1982: Delusions of Grandeur* (London: George Allen, 1983), p. 20.

<sup>37</sup>F.A. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1994), from the dedication.

<sup>38</sup>John Stuart Mill, in *On Liberty* (New York: Norton, 1975), pp. 94–95, argues,

A general state education is a mere contrivance for moulding people to be exactly like one another and the mould in which it casts them is that which pleases the predominant power in the government whether this be a monarch or a priesthood, an aristocracy, or the majority of the existing generation.

Indeed, one could argue that the conformity bred by state education is a *sine qua non* if a nation is to become an empire. Is not the political correctness taught in our public schools part of this? See Richard Bernstein, *Dictatorship of Virtue* (New York: Random House, 1994).

<sup>39</sup>Stephen E. Ambrose, *Eisenhower: Solider and Statesman* (New York: Simon and Shuster, 1989), p. 543.

few generations have averred that certain business and labor interests were anything but enemies of each other. Critics of the welfare-warfare state note that big business and labor interests, supposedly enemies, often are baying for the same quotas, subsidies, and protection, using the major political parties to achieve their goals.

The Manchester School, with a few exceptions, was suspicious of the two major parties of its time, the Whigs and the Tories.<sup>40</sup> Cobden hoped for the creation of a new middle-class political party that would stand against the pro-war, pro-empire elements in both parties. The Manchesterites noted that a select group was always pining for protection as well as for war. Bright called the British Empire, and the wars it inevitably engendered, “nothing more than a giant system of outdoor relief” for the rich and the aristocracy.<sup>41</sup> It was the sons of the nobility who were the generals, governors, and administrators of this vast empire. Cobden called for the masses—the middle and working classes—to end the aristocratic sport of war:

The middle and industrious classes of England can have no interest apart from the preservation of peace. The honours, the fame, the emoluments of war belong not to them; the battle-plain is the harvest-field of the aristocracy, watered with the blood of the peace.<sup>42</sup>

War was very rarely justified, and national-security concerns were usually a sham, the Manchester School contended. In his pamphlet *England, Ireland and America*, Cobden even questioned whether Britain was in danger even at the height of Napoleon’s power. He contended that, despite all Napoleon’s land victories and attempted economic blockades, Britain always maintained control of the sea lanes, and therefore was never in danger. Indeed, he argued that at the apex of Napoleon’s power, trade with Britain, as an island nation, was only minimally affected.<sup>43</sup> Once again, the sham of national security concerns and the war

<sup>40</sup>In 1830, the Tory Party was officially reorganized as the Conservative Party, but kept the nickname “Tory” even up to today. In 1868, the Whigs officially adopted the name Liberal Party, although the term “liberal” had been used to describe reformist Whigs since the 1830s.

<sup>41</sup>G.M. Trevelyan, *The Life of John Bright* (London: Constable, 1913), p. 274.

<sup>42</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 1, p. 34.

<sup>43</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 1, p. 12. Cobden’s point was that trade with Europe declined a mere 7.5% at the height of the blockade. Indeed, numerous historians have made note that a huge black market continued between England and France during the war, and that Napoleon’s quartermasters were often forced to resort to the black market and buy British shoes! See W. Durant, *The Age of Napoleon* (New York: Simon and Shuster, 1973), p. 210.

scare were used to pervert domestic and foreign policies, according to the Manchester School.

The peace party held that the Corn Laws were designed by the aristocratic farming interests to keep the price of food artificially high.<sup>44</sup> Corn Law supporters argued that protecting farmers was a national-security concern, and that home-grown food would ensure plentiful stocks of grains in case some new Napoleon tried to strangle Britain again by declaring that Europe could not trade with her.<sup>45</sup>

But Adam Smith, writing of the Corn Laws, and noting that they were designed to increase the production of food, had warned that they generated more problems than they solved. “Famines are always caused by the supposed remedies for dearths applied by government.” According to Smith, it was “the violence of government” that “distorted markets.”<sup>46</sup>

Henry Ashworth, a member of the Manchester School, argued that the Corn Laws were “a flagrant scheme of the landlords to enrich themselves by a legal authority which oppressed all other portions of the community.”<sup>47</sup> These were another method of getting all of society’s taxpayers to pay for the blunders of a few well-connected men.<sup>48</sup>

Still, Manchesterism was more than simply a set of criticisms, or a mere exposition of *The Wealth of Nations*, or an attempt to reduce or stabilize the price of bread. It was a philosophy that held that free trade would help integrate economies, reducing the likelihood that nations would go to war as they

<sup>44</sup>William D. Grampp, *The Manchester School of Economics* (Stanford, Calif.: Stanford University Press, 1960), pp. 44–45.

<sup>45</sup>John Morley, *The Life of Richard Cobden* (London: MacMillan, 1903), vol. 1, pp. 162–65.

<sup>46</sup>Smith, *The Wealth of Nations*, book 4, p. 563.

<sup>47</sup>Henry Ashworth, *Recollections of Richard Cobden* (London: A.W. Bennett, 1866), p. 10.

<sup>48</sup>Turgot, a physiocratic economist who had a profound influence on Adam Smith, wrote that many businessmen are ardent protectionists. Turgot, quoted in Murray N. Rothbard, *Economic Thought Before Adam Smith*, vol. 1 of *An Austrian Perspective on the History of Economic Thought* (Aldershot, England: Edward Elgar, 1995), p. 389, wrote:

There is no merchant who would not like to be the sole seller of his commodity. There is no branch of trade in which those who are engaged in it do not seek to ward off competition, and do not find sophisms to make people believe that it is in the State’s interest to prevent the least interest from abroad, which they most easily represent as the enemy of the national commerce. If we listen to them, and we have listened to them too often, all branches of commerce will be infected by this kind of monopoly.

grew dependent on one other. In addition to grains, the Manchester School wanted to push for complete freedom of commerce, because this would mean

a community of interests which would grapple nations to each other with the hooks of steel, and an increase of personal intercourse between their citizens—the sovereign remedy for the self-complacent nationalism which is the greatest obstacle to political association.<sup>49</sup>

As people became more familiar with “foreigners,” they would no longer be foreigners, but business associates, and perhaps even friends. The likelihood of war would decline, and former enemies, like England and France, would consider some kind of association. Other nations would be encouraged to do the same. Regions would join into one common market. These developments would lead to mutual disarmament and a reduction in taxes. Manchester’s goal was a more peaceful world, a world too busy with business to spend much time dreaming up new weapons systems. Austrian economist Ludwig von Mises, in analyzing Manchesterism, wrote

In such a world without trade and migration barriers, no incentives for war or conquest are left. Fully convinced of the irrefutable persuasiveness of the liberal ideas, they dropped the notion of the last war to abolish all wars.<sup>50</sup>

The assumptions of the Little Englanders were simple. Periods of free trade promote internationalism. The freest movement of goods, services, and people lead to periods of peace (Western Europe in the post-World-War-II era as it moves toward economic as well as political integration). Protectionist eras result in closed economies and heightened nationalistic feelings, such as existed in the United States and large parts of Europe and Asia in the 1930s. In that decade, fascist governments, as well as democratic ones, erected trade barriers. These high-tariff eras usually lead to economic calamity and, after that, war.<sup>51</sup>

<sup>49</sup>Hobart, *The Mission of Richard Cobden*, p. 16.

<sup>50</sup>Ludwig von Mises, *Human Action* (Chicago: Regnery, 1962), p. 823.

<sup>51</sup>Almost all economists agree that the Smoot–Hawley tariff contributed to the Great Depression, leading to a worldwide tariff war. However, Jude Wanniski, in his compelling book *The Way the World Works* (New York: Basic Books, 1978), argues that it was the primary cause of the depression because investors and nations anticipated its passage and the damage it would do to the world economy. Before it was signed into law, hundreds of economists warned President Hoover it would be disastrous. Once effective, the onerous tariff drew protests from around the world and, of course, more tariff walls were constructed in retaliation. See the chapter in Wanniski’s book, “The Stock Market and the Wedge.” On tariffs and wars more generally, see Hobart, *The Mission of Richard Cobden*, pp. 16–24.

### MANCHESTERISM IN THE EARLY VICTORIAN PERIOD

The Manchester philosophy, which began as a campaign against tariffs on grains and broadened into a set of ideas for foreign and domestic policies, seemed very popular on the eve of the Crimean War in the winter of 1853–54. Only eight years before, Bright and Cobden had been the toast of the working and middle classes. Cobden was praised by one lame-duck prime minister, Conservative Sir Robert Peel, and offered a cabinet post by the incoming prime minister, Lord John Russell, a Whig. Cobden's victories over food taxes made him a popular man who could help make a ministry strong with the middle classes. Cobden had reformed the Anti-Corn-Law League in the 1830s, fighting and winning the battle for free trade in the next decade. The abolition of these onerous duties on food was a boon for an industrial nation that depended on imported grains.<sup>52</sup> Cobden converted a Conservative prime minister, Peel, who had previously supported these tariffs. Said Peel after one of Cobden's devastating parliamentary speeches in favor of free trade: "You must answer him. I cannot."<sup>53</sup> Cobden, after bitter exchanges with Peel during the Corn Law debates, eventually reconciled with him.<sup>54</sup>

This conversion cost Peel his ministry and his leadership of the Conservative Party,<sup>55</sup> but before he resigned, he praised Cobden as the man most responsible for ending the Corn Laws.<sup>56</sup> Cobden wanted the Peelites, the renegade Conservatives who voted for free trade, to join the Manchester School in forming a new middle-class party.<sup>57</sup> The Peelites were an independent force because Disraeli had read Peel out of the Conservative Party when Peel embraced free trade. Unfortunately, Peel died after an accident before the new party could be formed. It is not clear that Peel would have accepted Cobden's invitation, but Peel and his followers, who frequently clashed with the war party headed by Palmerston, were moving in the direction of Manchesterism. Peel was a classical liberal<sup>58</sup> who opposed Palmerston's interventionist foreign policies.

<sup>52</sup>John Morley, *The Life of Richard Cobden*, vol. 1, p. 344.

<sup>53</sup>Norman Gash, *Sir Robert Peel* (Totowa, N.J.: Rowan and Littlefield, 1972), p. 471.

<sup>54</sup>See Morley, *The Life of Richard Cobden*.

<sup>55</sup>Walter Bagehot, "The Character of Sir Robert Peel," in *Bagehot's Historical Essays* (New York: New York University Press, 1960), pp. 180–213.

<sup>56</sup>Morley, *The Life of Richard Cobden*, vol. 1, pp. 388–89.

<sup>57</sup>Morley, *The Life of Richard Cobden*, vol. 1, pp. 390–400.

<sup>58</sup>Bagehot, "Mr. Disraeli as a Member of the House of Commons," in *Bagehot's Historical Essays*, p. 292.

Peel, joined by Cobden and William Gladstone, had argued against Palmerston in the famous Don Pacifico parliamentary debate in 1850. Palmerston, as foreign minister, had ordered the blockade of part of Greece because he complained that the damage claims of one British subject had not been promptly satisfied. This policy of war drew plenty of criticism. Peel asked,

If Britain should claim the right to interfere, in the interests of self-determination, in the affairs of foreign states, how could she deny to France the right to introduce Republican institutions in neighboring states?<sup>59</sup>

Palmerston defended the government's actions:

As the Roman in days of old held himself free from indignity when he could say *Civis Romanus sum*, so also a British subject, in whatever land he may be, shall feel confident that the watchful eye and strong arm of England will protect him against injustice and wrong.<sup>60</sup>

Over the next decade, some of Peel's former supporters joined with the Whigs to form the Liberal Party.<sup>61</sup> Many of them stood with the Manchester School on various issues. William Gladstone, who would serve as prime minister four times, was the greatest of the Peelites. He had begun his political career as a Tory Protectionist, became a Peelite, and was sympathetic to many of the ideas of the Manchester School, especially during the mid- and late-Victorian periods. However, in his second ministry (beginning in 1880), Gladstone presided over a military intervention in Egypt, a move which led to Bright's resignation from the cabinet. But before his death in 1898, Gladstone returned to many Manchester principles. He objected to the Liberals' move toward Socialism and Imperialism in the 1880s and 1890s. Gladstone resigned as prime minister in 1894 because he opposed excessive military spending, something he had been famous for slashing.<sup>62</sup>

Nevertheless, the free-trade revolution made by Cobden with the backing of Peel in the 1840s remained throughout the

<sup>59</sup>According to J.B. Conacher, *The Peelites and the Party System, 1846-52* (Hamden, Conn: Archon Books, 1966), p. 66, "Above all, the typical Peelite was a free trader, who generally accepted the current orthodoxy of the political economists, and here his view were in many respects similar to those of the Manchester School." Also see Murray N. Rothbard, *The Mystery of Banking* (New York: Richardson and Snyder, 1983), for a description of Peel's philosophy.

<sup>60</sup>Quoted in Donald Southgate, *The Most English Minister* (London: Macmillan, 1966), p. 272. See also Jasper Ridley, *Lord Palmerston* (New York: St. Martin's Press, 1966).

<sup>61</sup>Conacher, *The Peelites and the Party System*, p. 66.

<sup>62</sup>See Peter Stansky, *Gladstone: a Progress in Politics* (Boston: Little, Brown, 1979).

mid-Victorian Era. Free trade was very popular. In the so-called “hungry 40s,” working- and middle-class Englishmen had paid a high percentage of their income for food, so untaxed food was a boon applauded by the public.<sup>63</sup> Once back in power, Disraeli and the Conservatives made no move to restore the Corn Laws.

### MANCHESTERISM IN FOREIGN AFFAIRS

The Manchester School’s ideas on foreign policy could be summarized in three words: “no foreign politics.”<sup>64</sup> Plenty of trade and cultural relations between peoples, but no military interventions and, most of all, no wars outside of defensive ones. This idea was taken from the United States, an idea championed in George Washington’s Farewell Address.<sup>65</sup> Critics have tried to brand this philosophy “isolationism.”

Cobden, as the leader of the Manchester School, was anything but isolationist. In fact, because of his many attempts to integrate economies and avert wars, he came to be known as “the International Man.” Cobden was well received at most European courts because he was seen as the man who was opening up British markets to foreign goods.<sup>66</sup> He taught himself French in order to facilitate his work of lessening tensions between Britain and France. Patriotism, to the Manchester School, was not “my country right or wrong”; it called for people to answer to moral principles and use classical economics to create a better world. The natural liberty of commerce could supersede jingoism.<sup>67</sup> Manchesterism was the opposite of xenophobia. One historian has aptly characterized the philosophy as “a passionate internationalism opposed to all orthodox patriotism.”<sup>68</sup>

### MANCHESTER’S WARNING OF A THREAT TO BRITAIN

For Cobden, the danger to England was real, but it wasn’t military; it was economic, political, and social. The original-

<sup>63</sup>Hirst, *Free Trade and Other Fundamental Doctrines of the Manchester School*, intro..

<sup>64</sup>Taylor, *The Trouble Makers*.

<sup>65</sup>George Washington’s Farewell Address. Here’s the passage that impressed Cobden and which he included at the outset of *England, Ireland and America*: “The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible.”

<sup>66</sup>J. Hobson, *The International Man* (New York: Barnes and Noble, 1968), p. 257.

<sup>67</sup>Hobson, *The International Man*, p. 311.

<sup>68</sup>John Vincent, *The Formation of the Liberal Party, 1857–68* (New York: MacMillan, 1972), p. 33.

intent, limited-government philosophy of the American constitution was why Cobden and Bright admired the United States of the early- and mid-nineteenth century. In their time, the United States, a developing industrial nation with an almost non-existent military establishment and a generally non-interventionist foreign policy, posed the greatest threat to Britain. The threat, said Cobden, wasn't military, but was to Britain's mid-Victorian industrial supremacy. While Britain wasted millions of pounds, and wasted the lives, as well as talents, of its best people on crazy wars, the United States was becoming a great industrial nation that would overtake Britain. Nations that followed pacific foreign policies, that paid attention to the lessons of Adam Smith, especially his free-trade and anti-imperialistic ideas, would see the greatest progress, Cobden predicted.<sup>69</sup> One thinks of Switzerland today. That nation has been spared the plague of war, has high living standards, low taxes, and a strong currency.<sup>70</sup>

The business of business made a people great, not the number of warships a nation could float, Cobden said.<sup>71</sup> American leaders in the early- and mid-nineteenth century apparently held these principles. During the War Between the States, the U.S. assembled a large navy of ironclads, by some accounts the largest in the world, and then proceeded to astonish the aristocratic leadership of Britain by putting most of it in mothballs once the war was over.<sup>72</sup> The American anti-militarist tradition continued until the end of World War II. The Truman administration, following the lead of the Roosevelt administration, laid the foundations of the national-security state that we have lived with for the last half century.<sup>73</sup>

### MANCHESTERISM AND COLONIAL POLICY

Cobden, the most radical member of the Manchester School, wanted nothing less than the breakup of the British Empire.

<sup>69</sup>See Cobden, *The Political Writings of Richard Cobden*, vol. 1. pp. 76–119.

<sup>70</sup>Charles Adams, *For Good and Evil: The Impact of Taxation on the Course of Civilization* (New York: Madison Books, 1993). The book, a superb recounting of how taxation has destroyed some economies and helped others, contains a fascinating chapter on Switzerland, a nation where tax increases go to referendum (they rarely are approved), and in which the head of the country rides public transportation to work. Shades of Jefferson and rooming house dinners.

<sup>71</sup>See Cobden, *England, Ireland and America*.

<sup>72</sup>Walter R. Herrick, Jr., *The American Naval Revolution* (Baton Rouge: Louisiana State University Press, 1966), p. 2.

<sup>73</sup>Raimondo, *Reclaiming the American Right*.



What was the use of it? It cost more to protect than it generated in business. British possessions in India meant she had to worry about Afghanistan, and that led to clashes with the Russians, who were concerned about their Asian borders. Where and when would it all end? The nations of the empire should either be broken up or given “responsible government,” which meant allowing colonists or native peoples domestic self-rule until they would eventually need no direction from London, and would be free to cut all ties if they so desired. Cobden noted that Britain had lost its American colonies, but the U.S. had become a great trading partner; both nations were better off. The bonds between the two nations were stronger because they were voluntary ones. Still, Cobden’s writings represent the most radical element of the Manchester School’s policy on colonies, which was of two minds—either they should be encouraged and helped to govern themselves, or they should be given immediate freedom. How could Britain govern countries half way around the world, Bright asked: “England cannot govern distant nations—our statesmen have no time and no principles. . . . How can they direct the government of 20 nations in India?”<sup>74</sup> Bright was willing to try, but only in the best interests of the colonists, and not for one minute more than the colonists wanted to remain with Britain.

Britain should spend little on colonial defense establishments, Cobden said, because to do otherwise would only draw the mother country into a series of ridiculous wars, cause burdensome taxation, and delay domestic reforms to extend the franchise or the development of a system of national education. Bright, for example, was against adding troops to the Canadian defense establishment because it would only be more likely to provoke war with the United States. If Canadians wanted more defense, let them pay for it themselves, he said.<sup>75</sup>

### SOME ACCOMPLISHMENTS OF THE SCHOOL

How can you gauge the value of avoiding a disaster, which is how the Manchester School defined war? It can’t be measured. Manchesterism meant the application of commercial principles that stopped Britain’s war party on several occasions, undeni-

<sup>74</sup>James L. Sturgis, *John Bright and the Empire* (London: Athlone Press, 1969), p. 45.

<sup>75</sup>Sturgis, *John Bright and the Empire*, p. 46. Also see James Morris, *Heaven’s Command: an Imperial Progress* (New York: Harcourt, Brace, Jovanovich, 1973), p. 25, where he quotes Cobden on the colonies: they “serve but as gorgeous and ponderous appendages to swell our ostensible grandeur without improving our balance of trade.”

ably exerting influence in the Victorian Era.<sup>76</sup> The extent of Cobden's influence is the subject of debates among historians, but the fact that he and his allies helped shape domestic and foreign policies in the mid-Victorian period is indisputable.<sup>77</sup>

Manchesterism's effect was felt among the Whig, Peelite,<sup>78</sup> and Liberal parties, as well as the Radical faction of Parliament. Even the protectionist Conservative party after Peel felt its influence.<sup>79</sup> Cobden said his group never constituted a traditional political party because it had no offices and sinecures to offer; its principles called for retrenchment in government expenditures,<sup>80</sup> not exactly the kind of recruitment vehicle to attract the George Washington Plunkitts of this world.<sup>81</sup>

Other great achievements of this informal group of radical MPs were ending duties on newspapers and the successful negotiation of a free-trade treaty with France in 1860, thus diffusing tensions between ancient enemies. Palmerston, who, at the same time, was arguing for expanded defense spending to protect against a supposed French threat, said "at the bottom of his (French emperor Louis Napoleon's) heart, there rankles a deep and inextinguishable desire to humble and punish England."<sup>82</sup>

Cobden believed these warlike remarks were designed to ruin the completion of the trade treaty. Fortunately, Palmerston failed, and the Cobden-Chevalier trade treaty helped open up new markets, while at the same time reduced centuries of hatred between Britain and France, hatred which had threatened to erupt into another war. Cobden, given plenipotentiary powers and acting with the encouragement of Gladstone, who was Chancellor of the Exchequer, negotiated a free-trade treaty that trumped the aggressive Palmerston, who had to be pressured into signing it by the rest of the cabinet.<sup>83</sup>

<sup>76</sup>Kenneth Bourne, *The Foreign Policy of Victorian England, 1830-1902* (Oxford: Clarendon Press, 1970), pp. 90-122. Also see Taylor, *The Trouble Makers*, as well as Richard Millman, *British Foreign Policy and the Coming of the Franco-Prussian War* (Oxford: Clarendon Press, 1977), pp. 32 and 128.

<sup>77</sup>Millman, *British Foreign Policy*; also Taylor, *The Trouble Makers*.

<sup>78</sup>In 1846, while Peal was Prime Minister, his repeal of the Corn Laws split the Conservative Party into the Peelites and the followers of Disraeli.

<sup>79</sup>Bourne, *The Foreign Policy of Victorian England*.

<sup>80</sup>Cobden, *England, Ireland and America*, pp. 99-103.

<sup>81</sup>See William Riordon, *Plunkitt of Tammany Hall: A Series of Very Plain Talks on Very Practical Politics* (New York: Dutton, 1963). Plunkitt's motto is "I seen my opportunities and took advantage of them."

<sup>82</sup>Jasper Ridley, *Lord Palmerston*, p. 427.

<sup>83</sup>Ashworth, *Recollections of Richard Cobden*, pp. 246-48.

Cobdenite ideas persevered in both the cabinet and Parliament, as the Manchester School held that

the French government have entered upon their new commercial policy not for the benefit of England, but from an enlightened appreciation of the advantages it would confer on the people of France. . . . The present treaty will inaugurate a new era in the commercial intercourse of France and England, and it will only require a few years to develop that state of mutual dependence which forms the solid basis for the peace and happiness of nations.<sup>84</sup>

Trade between the two nations boomed as English people enjoyed French wines and the French enjoyed British clothing.<sup>85</sup> Differences over Italian unification lessened, and talk of a French invasion faded.

Cobden and Bright were also part of the anti-intervention forces during the American War Between the States that kept Britain from recognizing the South and providing it aid that would have probably changed the outcome of the war.<sup>86</sup> Cobden was revolted by the slaughter of the war, but came to sympathize with the North once it had committed itself to emancipation.<sup>87</sup>

Some critics of Manchesterism have portrayed it as nothing but a series of utopian criticisms and ideas.<sup>88</sup> Palmerston complained that, if Britain were invaded, Cobden and Bright would try to figure out if it were more economical to surrender or fight the invaders.<sup>89</sup> But Cobden's philosophy, along with much of classical liberalism, is also criticized because it represents a strand of "negative liberty."<sup>90</sup> To some people, peace, low taxes, reduced government expenditure, and a mind-your-own-business approach are a surrender of government responsibility. These people believe that governments are in business to create utopia. Freedom for citizens can only be achieved through the positive

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<sup>84</sup>Ashworth, *Recollections of Richard Cobden*, pp. 246–48.

<sup>85</sup>Ridley, *Lord Palmerston*.

<sup>86</sup>David Donald, *Charles Sumner and The Rights of Man* (New York: Knopf, 1970), pp. 35–37.

<sup>87</sup>Donald, *Charles Sumner and The Rights of Man*, pp. 116, 134, and 310.

<sup>88</sup>See Isaiah Berlin, *The Crooked Timber of Humanity: Chapters in the History of Ideas* (New York: Knopf, 1991), who believes the benefits of free trade were exaggerated.

<sup>89</sup>Ridley, *Lord Palmerston*, p. 427.

<sup>90</sup>F.A. Hayek, *The Constitution of Liberty* (Chicago: Gateway Edition, 1960), pp. 11–21. Also see Isaiah Berlin, *Four Essays on Liberty* (New York: Oxford University Press, 1982), pp. 122–23.

actions of the state, say modern liberals and socialists, such as T.H. Green and Harold Laski, whose works are imbued with the ideas of Rousseau and Hegel.<sup>91</sup> Indeed, in the late Victorian period, the philosophy of “constructionism” began to push out Manchesterism and other classical-liberal ideas,<sup>92</sup> just as Americans today, more and more, call for the extension of entitlements and downplay all considerations of liberty.

But what did Manchesterism offer? Mostly the idea that wars avoided through just settlements were a blessing,<sup>93</sup> classical principles that removed impairments to a free economy were good, and that modest government budgets that cut taxes were a boon to all members of society. These ideas were ridiculed by some, but one of the men sympathetic to many Manchester ideas, Gladstone made the case for this philosophy after most of its work had been done:

The great measures that have been passed during the last twenty years by the British Legislature have conferred incalculable blessings on the whole community, and particularly on the working classes, by unfettering the trade and commerce of the country, cheapening the essentials of our daily sustenance, placing a large proportion of the comforts and luxuries within our reach, and rendering the obtainment of knowledge comparatively easy among the great mass of the sons of toil.<sup>94</sup>

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<sup>91</sup>Hayek, in *The Constitution of Liberty*, p. 444, quotes Victorian leader Joseph Chamberlain in the 1880s to illustrate how classical liberalism was becoming “constructionism”:

When government was represented only by the authority of the crown and the views of a particular class, I can understand that it was the first duty of men who valued freedom to restrict its authority and to limit its expenditure. But all that has changed. Now government is the organized expression of the wishes of the people and under these circumstances let us cease to regard it with suspicion. Suspicion is the product of an older time, of circumstances which have long since disappeared. Now it is our business to extend its functions and to see what way its operations can be usefully enlarged.

<sup>92</sup>By 1880, even some so-called supporters of the Manchester School were feeling the influence of constructionism. In that year, the winner of the Cobden Essay wrote: “The truth of free trade is clouded over by the laissez-faire fallacy.” And that “we need a great deal more paternal government—that bugbear of the old economists.” Cited in Herbert Spencer, *The Man Versus The State* (Caldwell, Idaho: Caxton Printers, 1940), p. 107. Also see William Grampp, *The Manchester School of Economics* (Palo Alto, Calif.: Stanford University Press, 1960), p. 132.

<sup>93</sup>Hirst, *Free Trade and Other Fundamental Doctrines of the Manchester School*, introduction; also J. Salwyn Schapiro, *Liberalism: Its Meaning in History* (Princeton, N.J.: Van Nostrand, 1958), pp. 42–43.

<sup>94</sup>Stansky, *Gladstone: a Progress in Politics*, pp. 97–98.

But the Manchester School argued that all this improvement was dependent on peace. Indeed, Cobden's writings often question whether most of the wars fought by Britain were necessary. The Manchester School favored arbitration to resolve disputes between nations. This was an era in which Britain and the U.S., at odds over a Confederate raider which the Home Secretary had mistakenly let leave British waters, a raider that then destroyed many Union ships, eventually decided to let arbitrators rule on who was at fault.<sup>95</sup> Arbitration was the method that the Manchester School hoped every nation would commit itself to, instead of a war. In this case, the idea, woolly as critics believe it to be, actually worked. The U.S. and Britain avoided war. The British government, in Gladstone's first ministry (the so-called great ministry of 1868–74), paid the huge damages assessed by the arbitrators.<sup>96</sup> Again, as in the dispute over naval armaments with France or the tempting prospect of throwing her weight around in the American Civil War, Britain, in the throes of Manchesterism, had found a peaceful way of settling matters. But sandwiched between their two rounds of victories—the triumph of Free Trade in 1846 and the considerable impact of Manchesterism in the 1860s and early 70s—was a period when the this philosophy seemed dead.

### THE CRIMEAN WAR

The Crimean War, which began in 1854, severely tested the power of this pacific philosophy. Would Cobden and Bright be good Englishmen, or would they hold to their principles? It all began in an inane dispute over which religious group would guard the Holy Lands in Jerusalem,<sup>97</sup> and spread to a battle over the Danubian Principalities. This was another ridiculous war for Britain, Cobden believed,<sup>98</sup> and most historians agree. Here's one typical evaluation: "The Crimean War of 1854–55 now appears as one of the more stupid and useless of wars between the major European states."<sup>99</sup>

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<sup>95</sup>Alexander DeConde, *A History of American Foreign Policy* (New York: Charles Scribner's Sons, 1970), pp. 282–83.

<sup>96</sup>See Stansky, *Gladstone: a Progress in Politics*.

<sup>97</sup>Alan Palmer, *The Banner of Battle: The Story of the Crimean War* (New York: St. Martin's Press, 1987), pp. 10–12.

<sup>98</sup>J.B. Conacher, *Britain and the Crimea, 1855–56* (Cambridge: Cambridge University Press, 1968), p. 58. Also see Cobden's "What Next—and Next?"

<sup>99</sup>William Yale, *The Near East: A Modern History* (Ann Arbor: University of Michigan Press, 1958), p. 73.

For decades before the war, British nationalists had warned that Russia was going to control the Near East; that eventually she would come to dominate most of the world.<sup>100</sup> Even England would be in danger, they warned. Cobden treated these periodic invasion scares as moronic, just as more perceptive critics of American foreign policy during the Cold War dismissed warnings that the Russians were about to attack Alaska. Cobden argued that jingoists and journalists had been exaggerating the dangers of Russian power for generations.<sup>101</sup> Despite Cobden's criticisms, Britain and France, with some help from the kingdom of Sardinia, fought the Crimean War. They backed up the corrupt Ottoman Empire, which was lined up against the autocratic Czarist Empire. Toward the end of the war, the shaky Hapsburg Empire was ready to join the British and French, which led the Russians to sue for peace. Cobden maintained that no strategic British interests were at stake, so why should lives be wasted along with resources to prop up "the Sick Man of Europe,"<sup>102</sup> the Ottoman Empire.

Cobden wrote that this was another war waged to maintain the balance of power, a doctrine that obliged Britain to go to war whenever one nation in Europe became too powerful and threatened to overwhelm the continent. Although the idea sounds intriguing (like the New World Order?), Cobden contended that it meant that Britain would have to be involved in almost every war, no matter how small or distant, because any of them could affect her imperial interests in some way.<sup>103</sup> And, since many European powers in the nineteenth century had colonies in Asia, Africa, and America, there were plenty of opportunities for the balance of power to be disturbed.

### SLEEP WALKING INTO DISASTER

The British government had seemed to drift into the Crimean War without reason or purpose,<sup>104</sup> much as Americans have

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<sup>100</sup>J.B. Conacher, *The Aberdeen Coalition, 1852–1855* (Cambridge: University Press, 1968), pp. 234–45.

<sup>101</sup>Hobson, *The International Man*, pp. 29–33.

<sup>102</sup>Palmer, *The Banner of Battle: The Story of the Crimean War*, p. 14.

<sup>103</sup>Cobden, *The Political Writings of Richard Cobden*, vol. 1, p. 194.

<sup>104</sup>Palmer, *The Banner of Battle: The Story of the Crimean War*, pp. 25–26; Conacher, *The Aberdeen Coalition*, pp. 1, 3, and 76; also see Jonathan Kwitny, *Endless Enemies: The Making of An Unfriendly World* (New York: Congdon and Weed, 1984), a book that points out that, under our strange foreign policies, former friends can easily become enemies and vice versa.

drifted into various wars, police actions, and other frequent disputes in this century without a coherent justification, and in frequent contravention of the Constitution. British soldiers often had inadequate food, poor medical services, and rotten leadership. William Russell of the *London Times* sent back stinging battlefield dispatches questioning the intelligence of the leadership,<sup>105</sup> much as David Halberstam and other correspondents raised the ire of Presidents Kennedy, Johnson, and Nixon. By the way, many of those correspondents who won awards because of their Vietnam reporting were initially quite enthusiastic for the war, proving Cobden's warning that the press, and too often a credulous public swallowing press scare stories, will so often whoop up wars at the beginning of a war, only to become disillusioned later on.<sup>106</sup>

Nevertheless, the Crimean War was initially very popular, as many wars are at the outset, when they seem to cause little damage to the economy or when leaders are promising everyone will be home safe for Christmas. And the Manchester School representatives found themselves shouted down from public platforms.<sup>107</sup> Cobden and Bright were burned in effigy. Many Old Right writers and statesmen were driven out of public life in the 1940s and 50s for opposing NATO. Robert Taft lost the 1952 GOP presidential nomination to Dwight David Eisenhower, a moderate who would neither pull away from FDR's welfare state nor Truman's national security state.

### THE WAR PARTY VICTORIOUS

Cobden, like those Americans who initially opposed our intervention in Vietnam, sensed that the nation was, at least for the time being, with the war party. He wrote to an associate that Britain was "suffering under the war madness—for it is

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<sup>105</sup>Phillip Knightley, *The First Casualty: from the Crimea to Viet Nam: The War Correspondent as Hero, Propagandist, and Myth Maker* (New York: Harcourt, Brace, Jovanovich, 1975), pp. 3–6. For a humorous yet accurate description of British military incompetence during the Crimean War, see George MacDonald Fraser's delightful novel, *Flashman at the Charge* (New York: New American Library, 1986). Also see *The Cambridge Modern History of Britain*, vol. 9, p. 486; H.C.F. Bell, *Lord Palmerston* (Chamden, Conn.: Archon Books, 1966), vol. 2, pp. 81–106.

<sup>106</sup>Kaiser Wilhelm II, in August 1914, told departing German troops that they would be home before the fall leaves had disappeared. Similar claptrap was fed to the populaces of the other nations in World War I. In a few years, a war disgust would set in and the public would question the wisdom of the policymakers. See B. Tuchman, *The Guns of August* (New York: Dell Paperback Edition, 1962).

<sup>107</sup>Read, *English Provinces*, p. 154; Grampp, *Manchester School of Economics*, p. 101.

madness.”<sup>108</sup> Some who had worked for free trade supported the drift into the Crimean War, a fact that led Cobden to write that they had misunderstood Manchesterism.

But when I advocated Free Trade, do you suppose I did not see its relation to the present question [of peace], or that I advocated Free Trade merely because it would give us a little more occupation in this or that pursuit? No; I believed Free Trade would have the tendency to unite mankind in the bonds of peace, and it was that, more than any pecuniary consideration, which sustained and actuated me, as my friends know, in that struggle.<sup>109</sup>

The war went very badly for the British, but eventually, they returned home with a victory. However, it was a costly victory. It was the war that became famous for an insane waste of lives called the charge of the Light Brigade,<sup>110</sup> a military blunder made famous by a Tennyson poem.

Battlefield incompetence eventually changed the political current. The government of Lord Aberdeen was toppled, much as a previously popular though deceitful Lyndon Johnson became a political exile in his own country during the Vietnam War. Aberdeen, who came to lament the war,<sup>111</sup> was finished in politics. He was replaced as prime minister by Lord Palmerston, a bellicose Whig, after Parliament resolved to investigate the conduct of the war. Palmerston, the Manchester School’s arch opponent who stood for interventionism almost everywhere, finally wound down the war.

As an additional gain for the war party, when Cobden and the Manchester School turned out Palmerston’s government in 1857, a subsequent election found both Cobden and Bright, as well as Milner Gibson, another Manchester leader, defeated in parliamentary elections. Grenville wrote,

Those who were once the idols of millions of people, and not without cause, have not only lost all their popularity, but are the objects of execration, and can nowhere find a parliamentary resting place. No constituency will hear of them.<sup>112</sup>

<sup>108</sup>Palmer, *The Banner of Battle: The Story of the Crimean War*, pp. 148 and 166.

<sup>109</sup>*Crimean War: Pro and Con*, N. Hunter, ed. (New York: Garland Pubishg, 1973).

<sup>110</sup>Keith Robbins, *John Bright* (London: Routledge, 1979), p. 109.

<sup>111</sup>Conacher, *The Aberdeen Coalition*, pp. 492–548. On p. 492, Conacher writes that “Lord Aberdeen’s heart was never in the war.” “The ex-prime minister (Aberdeen) was full of bitterness at having himself dragged into war,” Cobden said. See Wendy Hinde, *Richard Cobden: A Victorian Outsider* (New Haven, Conn.: Yale University Press, 1987), p. 255.

<sup>112</sup>Charles Grenville, VIII, *A Journal of the Reigns of King George IV, King William IV and Queen Victoria* (Garden City, N.Y.: Doubleday, 1927), p. 108.



### PALMERSTONIANISM IN RETREAT

Although Palmerston, who lost power to the Conservatives after their 1857 electoral triumph, was eventually returned as prime minister in 1859, and would stay in power until the end of his life in 1865, a new, post-Crimean foreign policy came to dominate the cabinet and Parliament. Bright and Cobden, along with a number of allies, found new seats and were returned to Parliament. Palmerston felt compelled to try to buy off Cobden with a government post, telling him that he would be more effective if he joined the government. Palmerston, in trying to recruit Cobden, gave an interesting summary of how he had conducted policy. “You and your friends,” he told Cobden,

complain of secret diplomacy, and that wars are entered into with consulting the people. Now it is in the cabinet alone that questions of foreign policy are settled. We never consult Parliament till after they are settled. If, therefore, you wish to have a voice in these questions, you can only do so in the Cabinet.<sup>113</sup>

Cobden declined to join Palmerston’s second ministry believing his most effective role was as a parliamentary critic who wasn’t tied down by government, or by a major political party, or by the desire to retain a cushy office.<sup>114</sup> Still, Palmerston was compelled to include several Manchester men in his government, including Gibson as president of Board of Trade and Charles Villiers as president of the Poor Law Board. Several others in the ministry, like Gladstone, were sympathetic to Manchester ideas even if they didn’t accept every principle. Gladstone had been Cobden’s strongest supporter in the cabinet during the negotiation of the French trade treaty.<sup>115</sup>

Nevertheless, even though some historians deny that Manchesterism had any effective impact in this period, with one arguing that Manchesterism died with the Crimean War,<sup>116</sup> it’s

<sup>113</sup>Edsall, *Richard Cobden, Independent Radical*, pp. 326–27.

<sup>114</sup>Taylor, *The Trouble Makers*.

<sup>115</sup>P. Guedalla, *Palmerston* (London: Hodder and Stoughton, 1926), pp. 405–10. Also see Southgate, *The Most English Minister*, p. 459.

<sup>116</sup>John Vincent, *The Formation of the British Liberal Party, 1857–1868*. In an interesting set of essays, Vincent argues that there was little philosophical vision to the early- and mid-Victorian Liberal Party. The so-called triumphs of Manchester were by default, he argues. The non-interference policy arose “spontaneously, and not from either the proselytism or the political strength of the Manchester School. It was not a conversion, but an adjustment to circumstances” (p. 34). Maybe, but others would contend that Cobden and friends were, at least partly, creating these circumstances. Another criticism leveled at Manchesterism was that free trade

clear the political climate was changing. Britain, which previously had been so ready to wage war, now started to pull away from European conflicts and re-think its foreign policy. If Manchesterism was dead or a minimal factor, as some historians argue, why would Lord Palmerston, the prime minister during most of the 1860s who thought the Manchester School represented a loony philosophy, have offered some of the peace men posts when he formed his second government in 1859, even though he knew they accepted office with the understanding that they would never accept intervention in Italy or in any other state where war broke out? And, if Manchesterism was dead in the 1860s, why would the bellicose Palmerston come to rely on the group's support during a critical vote in 1864?

The British started to follow a generally more pacific policy with the formation of Palmerston's new government.<sup>117</sup> Many European statesmen believed she no longer mattered in the balance of power. British public opinion, as well as that of the political elite, began to question the Crimean War, even though it had ended in triumph. Palmerston still blustered and talked about intervening in distant places, such as Poland, the United States, Italy, or Denmark, but ultimately he backed down—reluctantly—from all of these wars. In other places, like Japan and China, Britain still intervened, but this happened with little direction from London, and didn't represent the consensus of Parliament or the Cabinet.<sup>118</sup>

In the American Civil War, for example, Palmerston had ample justification for intervention after the Trent affair (an incident in which a reckless American naval officer had violated the neutrality of a British ship in order to carry off some Confederate delegates on a diplomatic mission to Europe),<sup>119</sup> yet he backed down, in part because of pressure from the monarchy, and

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was a sneaky way of imposing British industrial supremacy on the rest of the world. Britain was the first western nation to industrialize, so she had the most to gain from a free-trade system. This line of reasoning ignores the pacific goals of the Manchester School and its consistent attempts to prevent wars. Manchesterites were more than tariff reformers. For a statement of this critical view of The Manchester School from a neo-Marxist point of view, see Anthony Arblaster, *The Rise and Decline of Western Liberalism* (New York: B. Blackwell, 1984), pp. 260–63.

<sup>117</sup>Millman, *British Foreign Policy*; Kenneth Bourne, *The Foreign Policy of Victorian England 1830–1902, Selected Documents* (Oxford: Clarendon Press, 1976). Also Taylor, in *The Trouble Makers*, writes that “Cobden was the real foreign secretary of the early 1860s” (p. 64).

<sup>118</sup>Taylor, *The Trouble Makers*, p. 64.

<sup>119</sup>E.D. Adams, *Great Britain and the American Civil War* (New York: Longman, Green, 1925), vol. 1, pp. 219–22, 226, and 254.

in part because the Manchester School was becoming more powerful. Given previous statements by Palmerston about “pushy Yankees,” it’s clear he would have liked to intervene, and that he would have been delighted to see the breakup of the United States.<sup>120</sup> In a war between Denmark and the German Confederation in 1864, a rehash of a long dispute in which Britain had acted as a mediator, again he talked of intervention, along with his foreign minister, Lord John Russell, but in the end he reversed himself when war broke out. One of the explanations of this volteface must include the potent effect of Manchesterism.<sup>121</sup>

### THE HIGH-WATER MARK OF MANCHESTERISM

The Schleswig–Holstein War of 1864, a dispute over border territories between Denmark and the German Confederation, was a major embarrassment for Palmerston, Russell, and the war party.<sup>122</sup> Palmerston had told Parliament that “if Denmark were attacked she would not stand alone.”<sup>123</sup> Palmerston and Russell believed British strategic interests in the Baltic required them to stop the German powers from swallowing the Elbe duchies. The Germans were led by the newly revived Prussia and its belligerent chancellor, Bismarck, who was in the process of uniting Germany.<sup>124</sup>

Over a decade before, the same dispute had happened during Lord John Russell’s ministry, with Palmerston as foreign minister. Then, after war broke out, all the powers responded to Britain’s warnings to stop fighting, attend a conference, and return territories to their status quo antebellum. However, by 1864, Palmerston, Russell, and the rest of the war party in the British government were ignored by the Germans. Britain became a non-factor in European politics.<sup>125</sup> Russell was forced to admit, “I doubt whether the cabinet or the country are of yet ready for active inference.”<sup>126</sup>

Neither the cabinet nor the country would ever be ready.

<sup>120</sup>Bell, *Lord Palmerston*, vol. 2, pp. 273–75.

<sup>121</sup>Keith A.P. Sandiford, *Great Britain and the Schleswig–Holstein Question, 1848–1864* (Toronto: University of Toronto Press, 1975), p. 115. Also Taylor, *The Trouble Makers*.

<sup>122</sup>Spencer Walpole, *The Life of Lord John Russell* (New York: Greenwood Press, 1968), vol. 2, p. 388.

<sup>123</sup>Bell, *Lord Palmerston*, vol. 2, p. 363.

<sup>124</sup>Bell, *Lord Palmerston*, vol. 2, pp. 362–69.

<sup>125</sup>Sandiford, *Great Britain and the Schleswig–Holstein Question*, p. 115; also see Bell, *Lord Palmerston*, vol. 2, pp. 273–75.

<sup>126</sup>Walpole, *The Life of Lord John Russell*, vol. 2, p. 388.

Russell had been blindsided by the anti-war forces, which were headed by the Manchester School and were solidly backed by the monarchy and public opinion.<sup>127</sup> As Lord Stanley, a Conservative peer, wrote,

There is a struggle going on in the cabinet. Gladstone, Gibson and most of the rest are for peace, Palmerston for fighting. Lord P (Palmerston) wishes to be attacked, in order that our pressure may help him to overrule his colleagues.<sup>128</sup>

The Conservatives wouldn't help Palmerston. They smelled blood and hoped to topple him.

But the major parties were driven by more than elitist opinions. What pleased Cobden was that this time, unlike the Crimean War, popular opinion was on the side of peace. Petitions flooded Parliament calling for non-intervention. The monarchy, which during the Victorian period had an uncanny ability to sense what the public wanted, joined the general public. There was to be no Balaklava this time—no charge of the Light Brigade—because the British didn't have the horses.<sup>129</sup>

By the early 1860s, Cobden's party had successfully carried out reductions in defense expenditures. Gladstone, as Chancellor of the Exchequer under Prime Minister Palmerston, had pushed through these cuts, ignoring the possibility of war in the Baltic or almost anywhere else. Although she remained a great naval power, there was little Britain could have done to stop the new, dynamic Prussian Army. The whole British Army was down to about 200,000 men, about a third of which was stationed in India and couldn't be transferred to the Baltic quickly. By contrast, the Germans had 300,000 soldiers to put into battle. It is unlikely, wrote one historian of this war, that Britain could have "provided more than 50,000 troops to help the Danes."<sup>130</sup> There was no "blood and iron" in British foreign policy.

Britain, at the urging of Manchester School, had become enamored of tax cuts, pacific foreign policies, and classical economics. "If you want peaceful governments, reduce their budgets,"

<sup>127</sup>Bell, *Lord Palmerston*, vol. 2, p. 363.

<sup>128</sup>Edward Henry Stanley, Earl of Derby, *Disraeli, Derby and the Conservative Party: The Political Journals of Lord Stanley, 1849–1869*, John Vincent, ed. (New York: Barnes and Noble, 1978), p. 218.

<sup>129</sup>Sandiford, *Great Britain and the Schleswig–Holstein Question*, on p. 115, writes that Gladstone's budget was "so obviously prepared in anticipation of peace, it couldn't stand the strain of war."

<sup>130</sup>Sandiford, *Great Britain and the Schleswig–Holstein Question*, p. 162.

said economist David Ricardo.<sup>131</sup> For those who want to restore liberty in America today, these policies should be their guide. That philosophy prevailed in British ministries of the 1860s, both Conservative and Liberal,<sup>132</sup> with the result being peace and prosperity. Even some non-Peelite Tories had to pay tribute to this current. Lord Stanley, the foreign minister of a Conservative government in 1867, opposed the bombing of Canton in the Opium Wars, and wrote of a contemporary politician that “among the best points of Lord Grey’s character is an inflexible adherence to the peace policy.”<sup>133</sup> Lord Clarendon, foreign minister of the Liberal government that was handing over its power to the Conservatives in 1867, said of Lord Stanley,

I begged him . . . not to proclaim our determined inaction on every opportunity that arises—the policy of not meddling is of course the right one but is it necessary that all mankind sh(ould) be let into the secret twice a day.<sup>134</sup>

Palmerston’s government was made to follow a pacific course. It still lost a vote in the House of Lords, because its policy had been perceived as indecisive, and it barely escaped a vote of censure in the House of Commons. Palmerston needed the votes of the Cobdenties to escape defeat, which were only granted because the cabinet agreed not to intervene on the Elbe. Thus, Palmerston, the most bellicose leader of early- and mid-Victorian England, the man whose reputation had become synonymous with *civis Romanus sum*, Don Pacifico, and the Opium Wars, was now a prisoner of the peace party. This marked the “end of Palmerstonianism as a method of British diplomacy.”<sup>135</sup> With Palmerston’s death a year later, no successors to head the war party were immediately available. Peace and retrenchment were in the saddle and would stay there for about a decade. Cobden and the peace party had won.

In this last great victory of Cobden’s life (he was to die a few months later in 1865), he made a parliamentary speech that summarized some of the key points of his philosophy, a speech for all those nations that aspire to be great powers should consider.

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<sup>131</sup>Quoted in Guido Ruggiero, *The History of European Liberalism* (Boston: Beacon Press, 1926), p. 130.

<sup>132</sup>See Donald Read, *Cobden and Bright* (New York: St. Martin’s Press, 1968).

<sup>133</sup>Stanley, *Disraeli, Derby and the Conservative Party*, p. 143.

<sup>134</sup>Stanley, *Disraeli, Derby and the Conservative Party*, p. 143; also see Millman, *British Foreign Policy and the Coming of the Franco-Prussian War*, p. 32.

<sup>135</sup>Sandiford, *Great Britain and the Schleswig-Holstein Question*, p. 162.

We gain nothing by diplomatic meddling; we should discard the idea of maintaining the Balance of Power; we have not the material strength to protect the weak against the strong. There is a right and wrong in every case, and if we are always to choose one side or the other because it is thought to be right, how is it possible we can ever enjoy any peace or quietness in this country?<sup>136</sup>

The elderly Palmerston, humbled during this crisis and realizing that Gladstone would soon take over as prime minister, predicted “some strange things will happen” after his death.<sup>137</sup> He died a few months after Cobden. Gladstone’s first ministry (1868–74), the first government to be formed by the newly organized Liberal Party, certainly exhibited rampant Manchesterism, especially in foreign affairs. Four years after Cobden’s death, Gladstone asked,

Is England so uplifted in strength above every other nation that she can with prudence advertise herself as ready to undertake the general redress of wrongs? Would not the consequences of such professions and promises be either the premature exhaustion of her means, or a collapse in the day of performance?<sup>138</sup>

#### MANCHESTERISM AT THE END OF THE VICTORIAN PERIOD AND IN THE EARLY TWENTIETH CENTURY

When this legacy of anti-imperialism started to fade in the latter part of the century, as Britain’s leaders once again started to become enthusiastic empire builders and “worldsavers,” there

<sup>136</sup>K. Bourne, *The Foreign Policy of Victorian England, 1830–1902: Selected Documents* (Oxford: Clarendon Press, 1976), p. 378.

<sup>137</sup>Ridley, *Lord Palmerston*, p. 566.

<sup>138</sup>Richard Shannon, *The Crisis of Imperialism 1865–1915* (London: Hart Davis, 1974). On p. 48, he writes:

It was the Manchester School more than any other influence which created the climate of public attitudes and assumptions in which Gladstone was to operate most sympathetically in the decades to come. In particular, as the contingency of intervention in Europe became in any case increasingly remote, the anti-imperialist ideology over which Gladstone was to preside found in Cobden its richest single source of inspiration.

Also see Edsall, *Richard Cobden: Independent Radical*, p. 363. Cobden wrote to Bright that Gladstone “has more in common with you or me than any other man of power in Britain.” Edsall also wrote that no member of the cabinet was more supportive of the French trade treaty than Gladstone. As prime minister, Edsall says, “the agenda of Gladstone’s first government (1868–74) was almost entirely concurrent with his (Cobden’s) own” (p. 424). And Gladstone, toward the end of his life, writes: “I was brought up to distrust and dislike liberty. I learned to believe in it. That is the key to all my changes” (Stansky, *Gladstone: A Progress in Politics*, p. 181).

was an interesting domestic by-product: welfarism. Both the Liberal and Conservative parties eventually endorsed wholesale social reform and the repudiation of laissez-faire economics. The empire was no longer regarded as “a millstone.” Free-market economics and the internationalism of Manchester that took the side of small states stood in the way of empire and a collectivized economy, as socialists Sidney and Beatrice Webb knew so well. The Webbs, intellectual leaders of the late nineteenth and early twentieth centuries, lived very well, and wined and dined the leaders of all major parties. They didn’t care about a politician’s label as long they could succeed in “converting the country to the philosophy of our scheme.”<sup>139</sup> Win this battle and it didn’t matter what party was in power. As supporters of British imperialism during the Boer War, the Webbs had nothing but contempt for the ideals of Manchesterism and Gladstonian Liberalism,<sup>140</sup> seeing them as a road block that had to be swept away. They were right: laissez-faire economics was a big roadblock. Little Englanderism had to be destroyed in order for socialism and imperialism to triumph.

Economist Joseph A. Schumpeter explained it very well, saying, “Wherever capitalism penetrated, peace parties of such strength arose that virtually every war meant a political struggle on the domestic scene.”<sup>141</sup> A purely capitalist world, Schumpeter says, “can offer no fertile soil to imperialist impulses.”<sup>142</sup> Capitalism, in its purest form, promotes Manchesterism.

This analysis helps us to understand the political and economic dynamics of Britain’s policy change in the Schleswig-Holstein War, and why that popular feeling brought about by prosperity vetoed war with Germany. It also explains why, as the collectivists started to slowly dominate the major parties at the end of the Victorian Era, imperialism became popular as part of a new dynamic role for the state in domestic and foreign affairs.<sup>143</sup>

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<sup>139</sup>Cited in F.A. Hayek, *Studies in Philosophy, Politics and Economics* (New York: Simon and Shuster, 1969), pp. 341–44.

<sup>140</sup>Beatrice Webb, *Our Partnership* (Cambridge: Cambridge University Press, 1975), p. 132.

<sup>141</sup>Joseph Schumpeter, *Imperialism and Social Classes* (New York: Meridian Books, 1955), p. 90. Schumpeter writes that “the type of worker created by capitalism is always vigorously anti-imperialist.”

<sup>142</sup>Schumpeter, *Imperialism and Social Classes*, p. 53.

<sup>143</sup>Sir Robert Ensor, *The Oxford History of England, 1870–1914* (Oxford: Clarendon Press, 1966), p. 36. Also see Robert Blake, *Disraeli* (New York: St. Martin’s Press, 1966).

Indeed, Disraeli, in the 1874 election, sold imperialism as something every British citizen could be proud of. The masses, many of whom were newly enfranchised, ate it up, and democracy began to threaten liberty.<sup>144</sup> And, as franchise rights were extended even more in the 1880s, the masses started to question laissez-faire economics and began to move away from the individualism of the Manchester School. It was all part of Tory Democracy, which called for a greater role for the state in the economy as well as a revived interest in extending the empire. Two decades afterward, by the 1890s, this trend accelerated. It would also start to change the Liberal Party.

One leading Liberal in the 1890s said “we’re all Socialists now.”<sup>145</sup> The Liberals were no longer the party of classical liberalism. Gladstone, in retirement in the 1890s, complained of his Liberal party endorsing “constructionism,” a euphemism for socialism, just as today politicians use the term “investment” when they mean more taxes. Joseph Chamberlain, a Liberal Imperialist who later turned Conservative Unionist, called for the end of free trade as a way of preserving the empire. He was admired for his reformist notions by Socialists such as the Webbs. In fact, he almost married Beatrice Webb. Chamberlain made his reputation as a mayor of Birmingham who was famous for “municipal socialism.” Writes one historian of this trend: “Fabian Socialism was not to be all that different from the radicalism of Chamberlain, whose municipal socialism the Fabians saw in the evolution of socialism.” According to one historian, this represented a

decisive shift [from the] traditional liberal-Radical emphasis (what Chamberlain himself came to describe as Cobdenite liberal) on the sanctity of the market towards the encouragement of collective agencies—large firms, trade unions, the state—to regulate competitive economies.<sup>146</sup>

<sup>144</sup>See A.V. Dicey, *Lectures on the Relation Between Law and Public Opinion in England During the Nineteenth Century* (London: MacMillan, 1962), pp. 252–53. On p. 40, Dicey writes,

peace ought to mean light and war certainly does mean heavy taxation, but heavy taxation whether justifiable, as it so often is, or not, always must be a curtailment of each citizen’s power to employ his property in the way he himself chooses.

Aee W.E.H. Lecky, *Democracy and Liberty* (Indianapolis, Ind.: Liberty Classics, 1981).

<sup>145</sup>See *Victorian Liberalism: Nineteenth Century Political Thought and Practice*, Richard Bellamy, ed. (New York: Routledge, 1990).

<sup>146</sup>Joseph Chamberlain, et al., *The Radical Program*, D.A. Hamer, ed. (Brighton, U.K.: Harvester Press, 1971), pp. xii–xiii. Also see Peter Fraser, *Joseph Chamberlain* (South Brunswick, N.J.: Cassell, 1967). He writes that in the late 1880s in Britain,

the dominant trends were making towards collectivism or state socialism and imperialism, not only among the electorate at large, but



Chamberlain was also admired by imperialists for statements such as this one in 1895: “I believe that the British race is the greatest of the governing races that the world has ever seen.”<sup>147</sup> The British imperialists believed their mission was to save the world. Robert Taft had a term for the ideas of these world savers: “Globaloney.”<sup>148</sup>

Cobden and his internationalist friends would have been disgusted by these jingoistic notions. Many Liberal Imperialists found it easy to back their nation during the Boer War. The Socialist Webbs were emphatically on the side of British Imperialism. As one historian who lived through this era and chronicled it related:

The independence of small nations might mean something to the Liberal individualist. It meant nothing to collectivists like themselves. I can still hear Sidney Webb explaining to me that the future belonged to the great administrative nations, where officials govern and police keep order.<sup>149</sup>

Beatrice Webb summed up the new philosophy that was overtaking Britain at the end of the nineteenth century: “If one believes that spontaneity is wrong, then regulation must be right; if

also among the younger Liberals, most notably Roseberry, Asquith, Haldane and Grey, who were to lead the Liberal Imperialists.

Fraser also writes that “Little England cries . . . were passing their zenith” (p. 139). Also, Bright noticed the attraction of imperialism even in the Liberal Party in 1882: “Painful to observe how much of the jingo or war spirit can be shown by certain members of a Liberal cabinet” (Sturgis, *John Bright and Empire*, p. 105).

<sup>147</sup>Bellamy, ed., *Victorian Liberalism*, p. 201. Also see Rolin W. Winks, “The Rhetoric of Imperialism,” in *British Imperialism: Gold, God, Glory*, Rolin W. Winks, ed. (New York: Holt, Rinehart and Winston, 1964), p. 80.

<sup>148</sup>Here’s a recent plea from President Clinton on why the U.S. should send troops abroad, this time to the Balkans:

From Iraq to Haiti, from South Africa to Korea, from the Middle East to Northern Ireland, we have stood up for peace and freedom because it’s in our interest to do so and because it is the right thing to do.” (*New York Times* 11/28/95)

In the next sentence Clinton disavows America’s role as a world policeman, yet this is precisely the role every president has chartered for the U.S. in the last half century. Notice Clinton’s language. He never says the U.S. will exert military force in the world, but that “we have stood up for peace.” It reminds one of a very similar comment by George Orwell, “Politics and the English Language,” in *The Orwell Reader* (New York: Harcourt Brace, Jovanovich, 1956):

Political language—and with variations this is true of all political parties, from Conservatives to Anarchists—is designed to make lies sound truthful and murder respectful, and give an appearance of solidity to pure wind.

It’s very windy on the Potomac.

<sup>149</sup>Elie Halevy, *History of the English People in the Nineteenth Century* (New York: Barnes and Noble, 1960), epilogue 1, pp. 105–6.

individualism is a social evil, then collectivism must be a social good.”<sup>150</sup>

Classical liberalism, and its radical offshoot, Manchesterism, were just about finished in Britain. Laissez-faire economics was a primary force in driving anti-imperialism, so when the former was scuttled, the latter went with it.

### THE LEGACY OF MANCHESTERISM AND ITS RELEVANCE TO AMERICANS

Although in some ways Manchesterism started to go into decline in the 1870s,<sup>151</sup> just as imperialism became fashionable again along with the end of laissez-faire economics, Cobden’s contributions were still recognized for a few generations after his death, even though they usually weren’t honored. Disraeli and his Conservative Imperialists won the 1874 election, in part by campaigning in favor of retaining and expanding the empire. But large-scale interventions on the continent of Europe and joining great power alliances were still not a serious option for three decades. In what may be an exaggeration, historian A.J.P. Taylor goes so far as to say that Cobden and Bright became the masters of British foreign policy in the mid-Victorian period.<sup>152</sup> He says that their influence was felt even after Cobden was dead for some four decades. From the 1860s to 1906, no British government would give great serious consideration to intervening in a European War, he says. For instance, Gladstone’s first ministry, which included Bright, steered clear of the Franco-Prussian War in 1870. And even when Britain started to discuss what would become a military alliance with the French in the early part of the twentieth century, it was done very quietly.<sup>153</sup> The British people, in the mid- and late-Victorian periods, had become used to “splendid isolation”<sup>154</sup> and untaxed food. It would take another

<sup>150</sup>Beatrice Webb, *The Diary of Beatrice Webb* (Cambridge, Mass.: Belknap Press, 1982), vol. 1, 1873–1892, p. xviii. Of course, it should be remembered that the Webbs weren’t always guarded in their support of collectivism. Later they went on to write books in the 1920s and 1930s that praised the Soviet Union and Communism. See Sidney and Beatrice Webb, *Soviet Communism: A New Civilization* (New York: Charles Scribner’s Sons, 1937).

<sup>151</sup>Ensor, *Oxford History of England*. Also see E.J. Feuchtwanger, *Disraeli Democracy and The Tory Party* (Oxford: Clarendon Press, 1966), pp. 82–102.

<sup>152</sup>Taylor, *The Trouble Makers*, pp. 40–66.

<sup>153</sup>Roy Jenkins, *Asquith* (London: Chillmark Press, 1974), pp. 242–45.

<sup>154</sup>In 1906, the Conservatives fought the general election on the issue of “imperial preference,” a policy designed by Joseph Chamberlain to give preferential treatment to products coming into Britain from the empire. Food, as well as other prod-

er decade or so for the Liberal Imperialists and Conservative Social Reformers, as well as a World War, along with the development of an openly Socialist party, but the heritage of nineteenth-century classical liberalism in Britain finally died in the second decade of the twentieth century.

These same trends eventually would infect the United States in the twentieth century, beginning with the Progressive Era, and eventually triumphing with the end of the World War II, which laid the foundations of the national-security state. A people cannot destroy this imperial republic and restore limited government unless they understand how their nation became a great world power. To understand Manchesterism is to rediscover the American libertarian traditions. Manchesterism reflected many principles of American Republican government. The Manchester School should be one of the guides in this trek away from the military-industrial-entitlement complex. Laissez-faire economics and pacific foreign policies are linked. They will either stand or fall together.

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ucts from outside the empire, would have been taxed. The Liberals, standing by the Cobdenite creed of free trade and no food taxes, won a smashing victory. Unfortunately, the subsequent Liberal government then proceeded to build the foundations of the modern welfare state as well as enter into various military alliances, which led Britain into World War I. John Morley, a Cobdenite member of the government in 1914, resigned because of the war issue, just as Bright had resigned from the government in 1882 over the issue of the invasion of Egypt. Cobdenites are consistently anti-war, regardless of whether it is popular. Also see Colin Cross, *The Liberals in Power, 1905-1914* (London: Barrie and Rockcliff, 1963), pp. 1-25; also Jenkins, *Asquith*; and the less reliable book by Sephen Koos, *Asquith* (New York: St. Martin's Press, 1976).

The rise of socialism is rooted in the drawbacks of capitalism. Therefore, the nature, advantages and drawbacks of capitalism must be considered. In this paper I will deal in the first instance with the Soviet-type model, its rise, evolution and collapse, as well as the general problems of post-socialist transitions. I will then consider the social democratic model of socialism, exemplified by the European Social Model and other capitalist countries pursuing socialist values in a market economy without dominant public ownership and enterprise. The "Manchester School" was the term British politician Benjamin Disraeli used to refer to the 19th Century free trade movement in Great Britain. The movement had its roots in the Tooke's 1820 petition of the London merchants and, took its name from the Anti-Corn Law League (ACLL) of Richard Cobden and John Bright, which was headquartered in Newall's Buildings in Manchester, UK. The British Corn Laws had been strengthened in 1815 to prohibit the importation of corn (i.e. wheat) until the home price became eighty shillings a quarter. "Laissez Faire and Little Englanderism: The Rise, Fall, Rise, and Fall of the Manchester School" by Gregory Bresiger, 1997, JLS [mis]. "The Achievements of 19th Century Liberalism" at Cato University [cato]. Laissez Faire and Little Englanderism: The Rise, Fall, Rise, and Fall of the Manchester School. Gregory Bresiger. Journal of Libertarian Studies 13 (1):45-80 (1997). The Rise, Fall and Rise of Epistemology. Anthony Quinton - 2001 - Royal Institute of Philosophy Supplement 48:61-72. Social Work: The Rise and Fall of a Profession? Steve Rogowski - 2010 - Policy Press. Sheng Shuai Lun: Guan Yu Zhongguo Li Shi Zhe Xue Ji Qi Sheng Shuai Zhi Li de Yan Jiu = on Rise and Fall: A Study of Chinese Historical Philosophy and its Rise and Fall. Yunjie Sima - 2003 - Shanxi Ren Min Chu Ban She. Why Keynesianism Triumphed or, Could so Many Keynesians Have Been Wrong?