Literary Debate on the American Civil War: Goldwin Smith and the Problems of Equality in Global Mercantilism (of Cotton)

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As Regius Professor of Modern History at Oxford, Smith devoted extra-curricular attention to such causes as colonial emancipation, the extension of the franchise, and the championship of the North in the American Civil War. At a time when to desire the abolition of religious tests was to be a liberal and to resist this to be a Tory, Goldwin Smith was soon known as one of the ablest leaders of the party of progress. Before long the *Quarterly Review* was coupling him and John Stuart Mill as spokesmen for the new school of radicals, and indignantly asking what Goldwin Smith had done that he should dictate to all England.

Smith had a scholar's interest in comparative government and a student's curiosity about the way in which transplanted British ideas and institutions were modified by the history and environment of new lands. In an age of great writers the effectiveness of his prose was unsurpassed. Through the pages of some two hundred English, American and Canadian journals he sought to mould contemporary thought by timely editorials and articles, rather than by longer studies on less evanescent themes.

His ideas reflected characteristic strains in 19th century liberal thought, and in particular the Victorian concern about questions raised by the two great forces of democracy and imperialism. He fully appreciated the profound significance of the common traditions and interests which linked the English-speaking peoples. His views on the study of modern history as an integral part of the education of the British governing class challenged traditional concepts. The ethical implications of historical events, not constitutional minutiae, seemed to him of primary importance. He did not believe that history was governed by necessary laws, but argued that a science of history must rest on knowledge of causation which in this sphere was impossible. The historian, to his mind, could not be content simply to look for laws of development or effort, but must seek justice as well as order and design. His ideas were attacked by Frederic Harrison as "a pungent apology for Christianity . . . better adapted for the pulpit of St Mary's than the Chair of history" (Wallace 52). On the other hand his enthusiasm for the abolition of religious test in Oxford let clerics view him as a critic of Christianity, or at any rate of the established Church.

The Empire letters of 1862-63, in which he advocated colonial emancipation, established him as the most effective exponent of the views of the Little Englanders, which were broadly those of the Manchester School. With delight not unmixed with surprise, Cobden and Bright found that academic men like Goldwin Smith publicly advocated the causes of anti-imperialism, free trade and an extended franchise. Lacking a university education themselves, they set the more store upon support from those eminent in university circles.

Philosophic radicalism, which was the accepted creed of almost all Liberals of the age, and a common outlook on colonial and economic questions were the first bonds of union with Bright and Cobden. Their hatred of war he shared to the full. The existing links between them were more closely forged by common sympathy and joint action during the American Civil war, when as a speaker and writer Goldwin Smith supported the North, and paid a four months' visit to the US. He could not forgive Palmerstone's part in the Crimean War, and was seriously concerned lest he involve England in armed conflict with the US.

From September 2 to December 14, 1864, Goldwin Smith travelled in America. Like De Tocqueville thirty years earlier, he was impressed by the widespread belief in equality and the relative absence of class divisions. From America he sent back series of letters to the *Daily News*, which made a sympathetic attempt to interpret to England the viewpoint of the North. Before going to America, however, Smith published an elaborate study, *Does the Bible Sanction American Slavery?* as a direct reply to an editorial in *The Times*, which contended that such biblical sanction did exist, and that it was the moral duty of slaves to refuse emancipation. In the controversy over university reform, Smith had already shown that he was no orthodox churchman, but this concept of religion was too much for him, and his little book launched a blistering attack on *The Times'* interpretation of the Old Testament. He maintained that if the Bible is thought to have preached slavery, it also forecast an evolutionary cessation of such practices. Widely read not only in Great Britain, but also in the US, it was enthusiastically discussed by Charles Eliot Norton, joint editor with James Russell Lowell of the *North American Review*. They considered Smith's book the best of all the publications that stimulated the drooping convictions of the anti-slavery advocates in America. Abraham Lincoln, in his second inaugural address to the presidency in March 4, 1865, almost echoes Smith in religiously justifying the termination of slavery:

> The Almighty has his own purposes. "Woe unto the world because of offenses! For it needs be that offenses come; but woe to that man by whom the offense cometh." If we shall suppose that American slavery is one of those offenses which, in the providence of God, must needs come, but which, having continued through his appointed time, he now wills to remove, and that he gives to both North and South this terrible war, as the woe due to those by whom the offense came, shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to him? (*The Papers*, Web.)

When Goldwin Smith first landed in the US he was already well known as an outspoken friend of America and a critic of orthodox concepts of British imperialism. Even the domestic servants were familiar with his writings. His enthusiasm for the US developed early and proved enduring. Long before his first visit, as a British radical he had conjured up a vision of the great English-speaking republic. His sympathy and liking for the country were already apparent in an early lecture on the foundation of the American colonies. That from the beginning they had been destined for independence was to his mind obvious, but the manner of their parting, in a violent revolution which left on each side a legacy of dislike and suspicion, he thought deplorable.

Regarding the US as the greatest achievement of his race, he was consumed by mingled hope and curiosity about its future, and watched the struggle with the anxiety of an American. England could not remain indifferent to the war, for the stoppage of cotton supplies from the South struck Lancashire a devastating blow. One after another the British mills, including that of John Bright, closed for lack of cotton. In the early stages of the war Gladstone and some Liberals approved the cause of the South, which they considered a nation making a legitimate and gallant struggle for freedom. Conservatives like Palmerston and derby also sympathised with the South, as did the cotton manufacturers and many free traders, because the North stood for tariffs, and the cotton producing South for free trade.

At first many Englishmen thought it a war to preserve the union rather than to destroy slavery, a pardonable error, since during the first year and a half this was the position adopted by Lincoln, who did not proclaim the freedom of the slaves until October 1862. Gladstone publicly adhered to a policy of strict neutrality, but privately had a leaning towards the South understandable in a Liverpool man whose father was a West Indian proprietor and the owner of slaves. It modified Goldwin Smith's early enthusiasm for him. In the beginning, Smith

hesitated about his own stand, because he thought it not an Englishman's business to fan the flames of civil war in another country. He was also doubtful whether the reincorporation of the slave states with the free North was desirable. His first ground of hesitation vanished, however, when Southern envoys sought to draw England into war on their side, and his second was swept away as the struggle became manifestly one between freedom and slavery. *The Times*, as the mouthpiece of the wealthier and aristocratic classes, took the position that the issue was essentially free trade against protection, and strongly supported the South. In the US its views were assumed to be those of England, although more and more the mass of the English people sympathised with the North.

Apparently convinced that there was a case of right against wrong, Smith wholeheartedly upheld the North and attacked the support given the South by *The Times* and the English governing class. In this endeavour he was allied with a small but distinguished group of British Liberals including Bright, Cobden, Mill, Leslie Stephen and Thomas Hughes. Most of these men worked together in the 1860s, not only for support of the North, but also for extension of the franchise and for the Jamaica Committee. Goldwin Smith turned the columns of *The Daily News* into a forum for attacks on Britain's American and imperial policies. In an open letter to the secretary of the Emancipation Society, he declared that the struggle was now beyond question to prevent the establishment of slavery in the midst of Christendom and civilization:

> The cause of emancipation is not that of the negro race alone. It is the cause of civilization, of Christian morality, of the rights of labour, and of the rights of man. It is the old and glorious cause of England. And if a part f our upper classes and of our clergy, in their hatred of the Free States and their Free Churches, have ceased to be true to it, it still has a firm hold, I trust, on the hearts of the English people. (Smith, *Daily News* Feb 3, 1863)

Smith was genuinely afraid that England might be drawn into war against the North. He first appeared on a public platform to support a political cause at a meeting held on April 6, 1863, by the Manchester Union and Emancipation society. This was called to protest against the building and equipping in English ports of the *Alabama* and other piratical ships in support of the Southern Slaveholders' Confederacy. In a letter to Cobden he explained that he had gone to Manchester not meaning to speak, but found they were really anxious to hear a few words from someone from Oxford, and so he had done his best. His advocacy undoubtedly helped

to produce the remarkable change in English public opinion, from warm sympathy with the South to an eventually even warmer support of the North.

The Times, which for the past year had been fulminating against his views on colonial emancipation, had now a double reason for attacking him. Three days after the meeting at Manchester it denounced those who called on the Government to stop the outfitting of Confederate ships in English ports. Other journals followed suit, among them the *Saturday Review*. Before long Goldwin Smith was abused from one corner of the country to the other, while among the small circle of English defenders of the North he was hailed as the outstanding champion of freedom. To his critics he turned a deaf ear, and continued to state his views on American policy in letters to *The Daily News*. In these he contended that it would be a calamity for England to be involved in war with the US. It would

> . . . put enmity for another bitter century between the two portions of the Anglo-Saxon race, one in blood, in language, in religion, in literature, in the essence, whatever may be the outward forms, of their free institutions, and one in their destined action on the future progress of mankind. (Smith, *Daily News* Sept 4, 1863)

In his vision of a free association of the English-speaking peoples of the world, linked by common bonds of language, literature, and law, Goldwin Smith was a prophet of the modern Commonwealth of Nations. The opinions of the Little Englanders were never more ably expressed than in his provocative letters on colonial emancipation written for the *Daily News* in 1862-63. His letters, however, distinguished between the dependencies which he thought England should keep, like India, those which should be emancipated, like Canada, and those which should be ceded to other countries, like Gibralter and the Ionian Islands. His attitude towards India during the Civil War did not reflect the morality of emancipation that he espoused in America. The convenience of holding an imperial title in India will help the British economy sustain itself not only through crises like cotton famine but ease her increasing burden of debt servicing. An avowed pacifist in one part of the world for the sake of free trade, Smith betrayed mercantilist prudence in supporting British investments in martial acrimonies in her eastern Empire.

> On a late occasion (The Sepoy Mutiny) we sent out in a great hurry 30,000 men, **without whose immediate aid the Empire would have been lost**. The Indian Government paid for this army. . . (Smith, *Daily News* March 2, 1863).

> If it is admitted that we draw no military force, it will be as readily admitted that we draw no revenue of the ordinary kind from India. If we were Romans and Spaniards, of the age of Cortes and Pizarro, no doubt we should extort money from our subjects, but as we are a Christian, humane, and moral nation, we extort none.
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> There is, however, a revenue of a peculiar kind which we derive from India, and which is probably regarded by most people as the **chief remaining advantage** of the Empire. I mean the salaries which Englishmen receive for governing India, and the pensions which they enjoy when they return from it. . .**The pensions must be fixed** with reference to the scale and cost of living in England; so that indirectly India bears in some measure the pressure of our National Debt. (Smith, *Daily News* March 2, 1863)

By the time Civil War broke out, Britain's textile mills were supported by increased production of imperial cotton in India. In the middle of the nineteenth century, cash crop cultivation was typically only pursued when a reliable food supply had first been assured. Even in the best cotton-growing areas of the Dharwar District, G Wingate reports in the British Parliamentary Papers that "jowaree is the first necessary with the cultivator. . . His first care is, therefore, to provide himself with the sufficiency of these, and it is only when this is done that he can turn his attention to cotton" (para 10). Neil Charlesworth observes: "Cotton cultivation in any case, required considerable care, prior investment and planning. Additional wage labour, for example, might have to be employed and ideally a complex rotational system was necessary, growing cotton on the same ground only one in three years" (79). Under these conditions, complicated by heavy taxation on the farmers, increase in demand and price of raw cotton during the Civil War could not inspire poor peasants to shift from corn to cotton without anxiety. A champion of free trade, Goldwin Smith, appeared to revise his economic belief by conditioning his support for the protectionist American North by notions of ethics and social justice. The exploitative conditions under which cotton was produced in the free-trading American South might have made Smith conscious about the pitfalls of unqualified support to free trade. A poor agricultural economy might require socio-economic protection if it staggers in a capitalist free market of big commercial players. Such a lesson Smith could well have imbibed from his involvement in the anti-slavery movement in America and through contestation of the official British politico-economic thought. But his

political discourse on India in 1863 betrays carefully veiled imperial interests quite distant from the social, humanist approach he paraded in America:

> It will be admitted at once that we draw no military force from India. The employment of a few Sepoys in Egypt or in China is but a nominal exception to this rule.
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> It may be said, however, that India, though it furnishes no military force to this country, pays, unlike our other dependencies, for its own military defence. This is apparently, but it is not really, the case. The Cape [Cape of Good Hope] was occupied, and is held by us, merely as a post on the road to India; and the expenses of that station, which have been enormous, must therefore be set down to the account of our Indian Empire. (Smith, *Empire* 270).

Smith is talking like a colonial businessman, asserting the legitimacy of slapping the cost of its global trade and the expenses of securing its trade routes on India. To offset its trade imbalances with sovereign powerful economies Britain would conveniently turn to its poor helpless dependencies for sustenance. Increased demand of Indian cotton for British textile mills made some of the Deccan and western corn fields switch to risky cotton cultivation despite reluctance of the actual tillers of the soil. This led to steady increase in food prices which the tillers already indebted to moneylenders for cash crop cultivation and exorbitant tithe on land could hardly afford. After the short lived cotton boom, the lands converted to cotton became fallow. Dearth of edible food, escalating food prices and uneven distribution of profit from cotton trade led to suffering of the impecunious peasants who were miserably caught up in a debt trap. Famine ensued in 1877-78, followed by deccan riots.

The economy of the Indian cotton peasants resembled the slave economy of the American south. Rapid concentration of land and wealth took place without any expansion of the home market. Reinvestments were made on slave and land (instead of plants and instruments) for an exhaustive one-crop system, which gave birth to economic stagnation. When the planters in the American South consumed luxuries at the cost of cheap slave labour to keep up a façade of plantation magnificence, the sahibs in India consumed luxuries by means of profit in cotton trade and at the cost of heavy taxation of the natives. It provided the ruling class with the necessary façade to control the colonized people. The banking system in slave economy did not generate industrial capital but augmented the power of the planters

while the colonial British banking system in India acted as clearing houses of mercantile finance vying in their interest charges with the local usurers. Like the slave economy which developed within and was exploited by the capitalist world market, the agricultural cotton economy only ensured prosperity to a colonial bourgeoisie in a capitalist world market. Smith's imperial approach towards India made it convenient for him to overlook this essential similarity between the two economies when he preached anti-slavery ethics in America and indirectly supported colonial cultivation in India.

Twentieth century interpretations of the Civil War can be categorized in three forms: those that agree for economic determinism; those that embrace a slavery/cultural concept which minimizes economic factors; and a blundering generation hypothesis which emphasizes the significance of irresponsible, fanatical agitators and incompetent politicians. Smith's diplomacy sustained British mercantile interests for a potentially revived post-Civil War capital market in the US, while supporting the manufacturing industry in Britain through (neo)imperial exploitation in the east. The cotton famine became the school in which a new kind of imperialism began to emerge, an investigation of which traces the postcolonial continuum of globalization to as far back as the American Civil War. The effect of the War on India is comparable to IMF's role today in the privatization of the developing market during Depression. Tracing the role of the global financial institutions, Joseph Stiglitz observes:

> The most dramatic change in these institutions occurred in the 1980s, the era when Ronald Reagan and Margaret Thatcher preached free market ideology in the United States and the United Kingdom. The IMF and the World Bank became the new missionary institutions, through which these ideas were pushed on the reluctant poor countries that often badly needed their loans and grants (13).

The IMF is a financial institution established by funds provided by the taxpayers of the world. However, it does not report directly to the people who pay for its action and are affected by it. "They assert their power through a complicated voting arrangement based largely on the economic power of the countries at the end of the World War II" (Stiglitz 12). The politico-diplomatic role Goldwin Smith played to manoeuvre the mercantile and monetary policies of Britain during the American Civil War has marked similarity with the strategies of the global financial institutions today.

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