

Modern Capitalism as Colonialism

John Holmwood

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John Holmwood

Thank you very much. Thank you for the invitation. It's really nice to be with such a crowd of people from so many places, so thank you. So, what I'm going to talk about is *Modern Capitalism as Colonialism: Rethinking C.B. Macpherson's Theory of Possessive Individualism*. And what I'm presenting today is schematic and provisional. It's part of a project with Gurminder K. Bhambra, and it follows on from our recent book, *Colonialism and Modern Social Theory*. It builds on our concluding analysis there, of the 'fictions' that form contemporary social theory and its adjacent disciplines. Specifically, today, I'll address our identification of the fiction of class and

formally-free labor and its association with the fiction of a stadial theory of social development, where Western modernity is represented as the highest form of development with universal significance.

The book, and this talk alike, are prompted by a number of puzzles. The social sciences until very recently have been organized in terms of a theory of modern society whose development is understood as a process endogenous to Europe, which was then globalized through diffusion. In the main, empire, as a political form, has been represented as pre-modern, subject to decline, albeit with lags, as absolutism gave way to the rise of the modern state and the popular sovereignty of national communities replaced absolutist rule. Obviously, that's a fairly Eurocentric account. Equally, colonialism is presented as a pre-modern or late feudal phenomenon. Yet colonialism and empire were also integral to the rise and development of modernity, although until recently, they've been largely neglected. In sociology, this is so regardless of whether the focus has been on a modernity that has transcended issues of a core class division between capital and labor, as is the case in mainstream sociology, or on a specifically *capitalist* modernity. For its part, political science has been organized in terms of *nation* states. This is so despite the fact that key examples of the rise of the modern state—Britain, France, and Netherlands, among others—were engaged in extensive colonial projects. Other European countries—Scandinavia and Central and Eastern Europe—for example, provided significant populations for colonial settlement in the Americas, Australasia, and Africa.

Put very simply, empire was the dominant political system of European powers that were otherwise represented as nation-states. Indeed, insofar as Western liberal democracies are understood as avoiding the perils of nationalism, it's been because they were empires, notwithstanding that civil and political rights were restricted to the domestic territory and thereby frequently elicited nationalisms in response. So, Elisabeth Clemens, to take one example, argues that a line of demarcation between pre-modern empire and modern nation-states, [and this is a quote from her] 'can be captured by the relationship between the character of rule, direct or indirect, and its relationship to group membership or identity'?, setting up the nation-states as a distinctive and inclusive form of rule'? (Clemens, 2016: 25). In this context, Jürgen

Osterhammel, in his overview of modern colonialism, also divides the domestic institutions and relationships of European empires from their colonial ventures. This enables him to consider different forms and practices of colonial government and different colonial forms of economy, but it involves separating those forms from domestic practices and the domestic economy of European nation-states, characterized as market capitalism. This leaves him with a puzzle: 'In contrast to other 'isms,' colonialism is extremely difficult to place in the history of thought. Ever since the major debate on the meaning of America in Spanish late scholasticism, all colonialisms have produced a variety of doctrines of justification and imperial visions. However, they've seldom been recognized as binding principles and have actually been put into practice' (Osterhammel, 2005: 107).

What I want to suggest in this talk is a different way of thinking about justifications for domestic political relations and overseas domination. This can be done by noting what followed in the wake of modern colonial conquest, namely the modern economy. In other words, I shall suggest that what is widely accepted as a justification of the modern economy, private property rights, is also the justification for colonial conquest, and the two can't really be separated.

Just as in the other social scientific disciplines, the apparatus of formal analysis in economics is focused on the rationality of market exchanges, and the nature of their institutional conditions is elided. Even among heterodox economists, followers of Karl Polanyi, for example, colonial conditions of market exchanges are rarely discussed. But in this way, conquest and commerce come to be understood as separate rather than as one following, indeed producing the other. This separation allows classical political economy and its successors to be understood as a criticism of colonialism and empire, rather than as justifications. For example, advocates of free trade within the classical political economy are usually argued to be opposed to colonialism. Adam Smith is the most important case here. On closer examination, what was being advocated was independence for British settler colonies or their inclusion within the Westminster system of government. Settler colonialism itself was not being criticized. Moreover, where free trade was argued against colonial monopolies of trade, the object of criticism was the monopoly of early trading companies within the domains they had established. The alternative that was proposed

was an international political system of empire in which free trade might apply and be negotiated among imperial powers. I suggest, then, that Barbara Arneil's (2024) recent analytical distinction between colonialism and imperialism is not an apt one in the context of understanding the development of modernity.

I will argue that it is this misunderstanding, which means that recent neoliberal market freedoms can appear both as a continuation of underlying liberal principles against the distortion inherent in more recent welfare states and also as being the antithesis of empire, when it is precisely imperial domination that brought into being a global economic order grounded in private property and unbridled corporate power of which neoliberalism is the continuation. In this way, what we describe as a post-colonial world represents the global hegemony of private property that modern colonialism inaugurated.

It is a further paradox that colonialism and modern empire are absent from social scientific discussion until the dismantling of the empire following successful anti-colonial movements in the second half of the 20th century. So, on the one hand, you have an absence of direct discussion of the empire and then only a discussion at the end of the empire in order to characterize new post-colonial states. Yet post-colonial states enter an international system bequeathed by empire, where they are understood as fragile, with a high potential for failure. This is in heavy inverted commas associated with an ideological framing of their 'unreadiness', which is already part and parcel of an imperial and colonial ideology. There's little consideration of how that failure is associated with the circumstances of previous colonization, nor is there an examination of the former colonial and imperial powers and the supposed stability of their political institutions in the absence of colonial domination. Instead, they are understood in terms of their underlying qualities as stable, liberal democratic nation-states operating in a global market system. I suggest to you that in Britain we might think of its current crises as indications of state failure precisely as a consequence of its post-colonial nature. In effect, non-Western others are presented as a threat to global order rather than subject to domination within its structures, at the same time as that global order is represented as a secure and universalizable achievement.

In what follows, I suggest that the writings of C.B. Macpherson can be used to unpick and disentangle some of these puzzles although he also embodies some of the difficulties. In effect, I shall suggest that his identification of problems of contemporary politics - roughly when he was writing from the 1960s through to the 1980s (he didn't live to witness the collapse of the Soviet Union) - had their roots in a political ideology forged in 17th century England is particularly significant and worthy of consideration.

As is well understood, Macpherson argued that the writings of Hobbes and Locke set out a political theory of possessive individualism as an ideological precursor and facilitator of market capitalism. What is less remarked is that his argument was part of a continuing meditation on the problems of liberal democratic theory, in which he understood possessive individualism to undermine the realization of liberal democracy. What I want to argue here is that an understanding of the colonial origins of possessive individualism would shed a sharper light on the wider problems of liberal democracy that Macpherson was addressing.

In another work, published shortly after *The Theory of Possessive Individualism* (which was published in 1962), Macpherson set out the critique of contemporary liberal democracy implicit in that earlier text. For example, in *The Real World of Democracy* (written in 1965), he took a broad view of democracy and included two non-liberal democracies, namely those associated with communism and with formerly colonized countries, despite their status as once colonized escaping the focus of his attention. He was nonetheless addressing the issue of post-colonialism there. Some fifty years later it would be unusual to credit, as did Macpherson, the non-liberal democracies as being democracies. However, it's clear that Macpherson regarded them as offering a practical counterweight to the tendency of liberal democracy to self-undermine as a consequence of the role assigned to private property.

In effect, he regarded one-party government in formerly colonized countries as following on from national struggles for independence from colonialism, and in that sense having a very distinctive and specific democratic character. Perhaps surprisingly, he failed to reflect on how the fact of previous domination bears upon the representation of the colonial powers from which

the struggles for independence were set, as having liberal democratic regimes, despite the fact of their colonial endeavors. But he gradually became more pessimistic about liberal democracy, and one of his later volumes has the foreboding title *The Rise and Fall of Economic Justice*. This was published in 1985, just before he died. But he suggests that the scale of private property rights embodied in corporate capitalism might undermine both the claims for efficiency and the dispersal of aggregated power that is attributed to market exchange relations, and also the possibility that liberal democratic states might otherwise achieve an amelioration of corporate power. So, he ends on a very pessimistic note around the idea of corporate power and the inability to moderate private property.

Macpherson's concerns have been superseded by the realization of the outcome, he feared. His instincts were toward a form of democratic socialism - social democracy - that now appears distant. There was a brief flurry of arguments within analytical Marxism around the time at which he was writing that set out what we might call a *theory of possessive socialism*, but they have also faded. Now, as is familiar, Macpherson located the problem of contemporary liberal democracy in the arguments laid down in Hobbes and Locke. He also has a discussion of the Levellers and Harrington, who were seen as precursors of an understanding of class relations entailed within private property, albeit in different terms to the Marxist socialist critique to come, which is partly what he was developing.

Let me briefly set out Macpherson's thesis and why a proper accounting for colonialism would make a difference, including to his own intentions and what he was seeking to achieve. He sets out seven propositions of possessive individualism, of which, for my purposes, the key ones are that 'The individual is essentially the proprietor of his own person and capacities, where 'political society is a human contrivance for the protection of the individual's property in his person and goods, and therefore, for the maintenance of orderly relations of exchange between individuals regarded as proprietors of themselves' (1962: 264). This is the core thesis, and it is a scheme that Macpherson argues was in the process of being instituted and perfected.

So far, so good, but a valid theory of political obligation, Macpherson argues, must be able to secure the specific requirement, 'that the individuals of whom the society is composed, see themselves, or are capable of seeing themselves, as equal, in some respect more fundamental than all the respects in which they are unequal' (1962: 272). Let me, as an aside, put this a little differently, as proposed by Herman Lebovics, who poses the rhetorical question, 'What permitted Locke to justify the actions of rapacious and rebellious men of wealth of this and later ages, and at the same time, hold forth a promise of unprecedented political participation for the many?' (1986: 579) There is a real puzzle at the heart of liberal theory, the heart of Locke's account, and that is the rapaciousness of the system that is being justified and the particular kind of inequality associated with it. What I'm going to say is the answer to this puzzle is colonialism, but let us first see where Macpherson takes us. He suggests that Locke's formulation is secure once the institutions of capitalist market society become established through to the late 19th century. However, he also argues that the development of a market society contains an immanent contradiction: 'The development of the market system producing a class that could envisage alternatives to the system thus destroying the social fact, and acceptance of the inevitability of market relations, which had fulfilled the first prerequisite of an autonomous theory of political obligation.' (1962: 273).

Now, in *Colonialism and Modern Social Theory*, Gurinder K. Bhambra and I argued that early English political theory could be better understood as a justification for the colonial appropriation of land and the labor of others. This took place in the context of colonial subjects being denied recognition as members within the Commonwealth, that is, as members of political society. The political society that Macpherson is imagining is already divided between an inside and an outside. The exclusion of colonial subjects is different from the domestic exclusions associated with gender or class, not least because colonial subjects were denied both rights in the possession of their own persons and any legitimate claim over the wealth of the Commonwealth, even a mediated claim, as for example in the case of gender.

Property rights were maintained through colonial settlements or private trading corporations, such as chartered companies like the Royal African and the East India Companies.

Local systems of land usage and village organization were subjected to colonial domination and incorporation that recognized the rights of usurpers and not those of pre-existing populations. In this context, colonial subjects had alternative moral economies, to use E.P. Thompson's terms, that were disrupted by European colonial conquest and rule. These moral economies represented an envisaged alternative to the market system represented in colonialism. This is evident in Macpherson's later comment when he's talking about post-colonial states, that 'The competitive market system, which is the soil in which liberal ideas and the liberal state flourish, was not natural to them. It was something imposed upon them from outside and from above.' (1965: 24). So how are we to understand that imposition and the curious inability of Macpherson to point to it but not really to be able to see it? What is missing is any consideration by Macpherson of how subjugated territories were part of the political system for which the theory of obligation was being drafted. Colonial subjects were simply to be ruled by superior power and force, but they were ruled as part of a single political system—that of the British Empire, French Empire, etcetera.

The elision of the political incorporation of colonial possessions from the theory of political obligation is matched by the elision of their economic incorporation as well. Ironically, this failure of analysis is fundamental with regard to Macpherson's key topic of analysis, class division as the fault line of liberal democracy. We suggest that the amelioration of class division by the emergence of liberal welfare states in the West is only made possible by the patrimony of empire. Although the end of empire reduces that patrimony, paradoxically, it doesn't revivify class division. In common with most other writers, Macpherson outlines possessive individualism in terms of the political economy of market capitalism. Yet it's necessarily a colonial political economy in which capitalism is embedded, rather than being a colonial political economy that sits at the side as an adjunct of a separate capitalism domestically, which is what Osterhammel, for example, suggested in the quote above.

How should we understand modern capitalism differently? Here, I propose to understand it as colonialism. This is not to argue for an idea of colonial capitalism, as if the two bear a contingent relation, and colonial capitalism is one of the possible forms that capitalism can take.

It is to argue more strongly for a political economy of colonialism within which the structures and processes that are otherwise attributed to capitalism are located and reconceptualized. I can only offer a sketch of what the reconceptualization involves, but this is what I'll discuss for the rest of the presentation. We are arguing that colonialism is not simply a companion condition of the emergence of capitalism, which can otherwise be understood through its immanent logic, an impulsion outward, whether of markets or production. In many discussions of the history of capitalism, four stages are typically presented. Most recently, Fraser and Jaeggi, for example, have described these four stages as first, mercantile or commercial capitalism, followed by so-called liberal competitive capitalism, then state-managed or social democratic capitalism, and finally, in the present, financialized capitalism (2018: 64). Let us reconstruct each of these stages.

Mercantile capitalism is defined by the increasing global trade in luxury commodities conducted by private European corporations operating on the market under royal charters. The activities of these companies were not simply profit-seeking through turning the terms of trade to their advantage, but also involved claims for jurisdiction and sovereignty in the name of European monarchs. As such, their activities occurred in the context of the appropriation of lands via the elimination and dispossession of Indigenous peoples and the beginnings of the systematic trade in human beings, which would enslave millions of Africans and transport them as commodities to the new world. Rather than understanding this stage as mercantile capitalism, it would be better understood as colonialism through private property and its extended imposition and reproduction.

Whereas enclosure in Europe is seen to create a nascent class of free labor (this is the dynamic that Macpherson has in the back of his mind), the incorporation of lands elsewhere does not. I am not suggesting that unfree labor was unknown within Europe before the emergence of free labor, but with the availability of unfree labor elsewhere, free labor becomes a category of social distinction within an extended commonwealth - a social status within the populations at its centre, not its peripheries – rather than the primary economic category of emergent modern capitalism.

Colonialism through commercial corporations is then succeeded by colonialism as a national project, whereby European states begin the process of restricting the external activities of private companies through the establishment of direct colonial rule and incorporating colonies and imperial possessions within a nationally organized political economy. This includes the utilization of labor, both enslaved and indentured, but also extends to the direct appropriation through taxes and other forms of extraction upon colonial populations. It is this phase that is the object of classical political economy and its arguments for free trade within an unacknowledged, but nonetheless very relevant system of imperial states.

The monies derived from empire are used both in the metropole and in furthering elite economic interests in the dominions and settler colonies—including those not under direct political control, such as the United States and Argentina. State-managed colonialism facilitated the development of what is otherwise seen as global industrial capitalism emanating from activities in the metropole, the standard account. As Utsa Patnaik and Prabhat Patnaik argue, 'Even countries without colonies benefited from the colonial drain from India as more than [and this is a quote from them] four-fifths of export of capital from Britain went to developing continental Europe, North America, and regions of recent white settlement, such as Argentina, South Africa, and Australia.' (2017: 184). These processes necessarily impinge upon what is otherwise seen as the domestic class formation of national societies in Europe and North America. This class formation is typically understood, as it is in Macpherson, in terms of an organized working class and its struggles for a welfare state and the partial decommodification of labor. The colonial context is rarely acknowledged within such constructions because what is being spoken about is a national welfare state.

However, outside professional Western social science, for example, among commentators in the colonized world and the segregated societies of North America, the connection between the exploitation of colonies and welfare in the metropole was understood. And I'm thinking here of Dadabhai Naoroji and the idea of colonial drain and Du Bois on the wages of whiteness. But it was also evident to policymakers in the colonial metropole. For example, Winston Churchill, the British Chancellor of the Exchequer in 1929, described income from the

British colonies as 'The explanation of the source from which we're able to defray social services at a level incomparably higher than that of any European country. These world resources from overseas constitute the keystone of our economic position.' (p.#)

What I'm setting out is the basis of a different understanding of what Macpherson saw as an emerging class capable of envisaging an alternative to market capitalism. Domestic relations in the West intersect with racial differences and the alternative to private property requires to be imagined post-colonially rather than through a supposed internationalization of class relations.

What are presented as separate national societies - Britain, France, the USA, etcetera - are interconnected by colonial processes that run through them. This does not mean that the processes produce common effects. For example, the United States did not develop a public welfare state as became typical across Europe. Instead, it had segregated Fordist welfare arrangements which provided benefits through private corporations that were themselves racially segregated. But for the most part, Europe's racial divide lay outside national borders in transfers of wealth from the colonies to the metropole and in the restricted movement of people from the colonies. So, how are we to understand then the third phase of capitalism described by Fraser and Jaeggi, the so-called 'Trente Glorieuses' across post-World War II Western societies without understanding the patrimony of colonialism? And how are we to understand their end without its association with the end of formal colonialism?

Perhaps now, with the neoliberal so-called re-commodification of labor in the West, we're experiencing pure capitalism at the end of colonialism and the possibility of capitalism without race, because that would be the implication? In fact, it looks much more, like the earliest form of modern colonialism through private property where the extractive practices of large corporations are able to dominate nation-states—especially those of new nations. The political economy of neoliberalism, we propose, is not based upon the form of the class relation central to theories of capitalism, but on the divisions inaugurated by European colonialism.

What I've set out here is a sketch of a political economy in which colonialism is central rather than contingent. And we're arguing that there's no underlying logic of capitalism that can be separated from colonialism and no underlying logic through which colonial relations can be understood to be filtered. Given that colonialism operates through forms of domination in which only national populations are considered to provide the legitimacy on which sovereignty rests, it's not possible for it to be anything other than a racialized system. And as we've been arguing, a system of colonial racialization, not, for example, racial capitalism. This argument, I would suggest, is broadly consistent with the analysis that C.B. Macpherson sought to provide for the rise and fall of economic justice. However, what I've been trying to show is that his aims would have been realized by placing colonial political economy rather than capitalism at the center of his theory of possessive individualism.

Sinfree Makoni

Okay, John, thank you very much for this fascinating presentation. I want to enter the discussion from a hypothetical seminar room in which you are talking about these ideas to students who are from the UK, India, Africa, and perhaps the United States. What would be their response to this: to the core of your argument that, for example, it was the colonies that were in actual fact enriching the metropole, that in your career, you must have, I think, presented these ideas to some of those students. And how did they respond to such an argument?

John Holmwood

Well, there are two kinds of responses. One would have to notice that as we move from the third to the fourth aspect of colonialism that I'm describing, from one where Western welfare states are sustained by colonialism to one associated with neoliberalism, the character of the students changed. So, what we get, in particular in the UK, is a lot of international students who are paying very large fees and are themselves, if you like, privileged members of the societies otherwise described as subject to colonial exploitation. So, I think the social structures produced by colonialism, of course, are not a simple imposition of colonial power over the other territory, but also the incorporation of some members of its population. And so, higher education has

created circumstances in which students are also representatives of the elite. So, one finds two responses, I'll be honest with you, a response from local British students who don't like the idea that what they see as their disadvantage is, in fact, advantage, and has been, in a sense, purchased and is implicated. So, class theory, in a sense, allows them to avoid the implication of the structures from their own perspective of, not past responsibility, obviously, but future responsibility. And then quite a few international students are not happy that the ideas are directed at a form of redistribution which would be positive for the wider population in their countries and is, in a sense, a critique of the elite incorporation into the structures of private property. So, I mean, part of what we're arguing is that neoliberalism should be Osterhammel's understanding of the problem he posed of the 'ism' of colonialism - what is the justification of colonialism? It is private property rights. Neoliberalism is the global hegemony of private property rights. So, it only appears to be not colonial by virtue of its success, not because it has transcended colonial relations. So, yes, you're right, it doesn't necessarily go down very well, neither with one's colleagues nor with students ... (laughs)

Sinfree Makoni

(laughs) But do the international students who in the UK pay exorbitantly high school fees (high tuition), do they see themselves as a continuation of the individuals from the former colonies, subsidizing, in this case, metropolitan education?

John Holmwood

I think they see themselves as *international*... They say that there has been a generalization of metropolitan elites and they're now part of an international metropolitan elite. So, I think it's what's usually called a *transnational class*, but there is certainly, the nature of the system is transnational in that sense so that there is a separation of the form of the Western state from the economic institutions. And that, I think, is part of the crisis within Western states, associated with populism and forms of ethno-nationalism organized around whiteness or different degrees of separateness.

Sinfree Makoni

Okay, let me continue with this and I'll hand it over to my colleague, Phoebe. Your presentation, and rightly so, focused to some extent very much on Europe, Britain, etcetera, but you do touch a little bit on the US. So, as you were presenting, I was wondering if you factored the US as a settler colony, how does that affect the analysis that you are trying to make? If, for example, you foregrounded in your thinking just for the purposes of hypothetical discussion issues that the US as a settler colony.

John Holmwood

Yeah, I think it absolutely does have to be seen as a settler colony. And it's kind of interesting that if people are familiar with sociological discussions of the nature of welfare states. Usually, there is an identification of a liberal type. The liberal type has a peculiar set of countries associated with it: Canada, the United States, Australia, New Zealand, and Britain. So, the liberal type is Britain and its settler colonies. What you see is that the difficulty, sociologically, is how would you characterize Britain and the US as being both liberal welfare states at the same time as understanding their quite different historical circumstances, unless you understood them through the colonial process that connected them. So, the independence of what used to be called the dominions, and let's think of the United States as the first dominion to be independent by rebellion against the crown. The independence of settler dominions was in fact something contemplated within the logic of the idea of liberal democracy that Macpherson is setting out. So, the expansion of colonization created a commonwealth of British subjects, and then the issue is of their political representation. But it doesn't address the political representation or the issue of the settler colonial process itself, Indigenous people, or those brought to the settler colonies in order to act as laborers. And that's in the British context, both enslaved but also the transport of indentured labor from India and East Asia. So, I think that one does need to put those connections too. I don't want it to sound 'Trumpian' but I'm saying that one needs to include America within an understanding of Britain. So, I'm not arguing to make America Great Britain again. I am saying that we need to understand America as part of a European process of

colonialism. And then that would also be the case to understand Latin America in similar kinds of ways. There's a tendency I think within the decolonial theory to think that Latin American movements are somehow outside the process of settler colonialism, that they're resistant, they're anti-colonial because they've thrown off the yoke of Spain or the yoke of Portugal. So, the United States throwing off the yoke of Britain doesn't make it any less a settler colonial system.

Sinfree Makoni

Good. Okay, let me just ask the last question then I'll give it back to Phoebe. If you then argue that there are different forms of colonialism, for example, settler colonialism, and extractive colonialism, let's say particularly, that is fairly obvious in an African context, how does that change the argument?

John Holmwood

I don't think it does because I think the problem with the theory of capitalism is it's so focused on the labor-capital relation that it doesn't understand land and occupation as itself integral to that process and having processes that cannot themselves be made part of the capital-labor relation in itself. So that way one could say, 'Well, one's going beyond, that might be a move towards Polanyi.' But the strange thing about Polanyi is that he has no discussion whatsoever of colonialism in the book on *The Great Transformation*. And yet the Great Transformation is a global process and a process of colonialism. And the treatment of labor domestically is different from the treatment of labor externally. That's why I'm arguing that sociologically free labor is a cultural status, rather than a direct economic category.

Sinfree Makoni

Thanks a lot. Let me give it over to Phoebe because there are a couple of people who want to jump in.

Phoebe Quaynor

Thank you, Professor Holmwood. We have two questions already, and Scott. I mean, the first question is from Višnja who asks, 'Given, as you suggest, neoliberal economies' resemblance to earlier structures, do you think political economic history is circular or is that too broad an argument?'

John Holmwood

I think it's too broad an argument. I think it's a linear process. But once we understand that the focus of colonialism was the creation of private property arrangements and processes of dispossession, the issue is how the state and political processes are then associated with the form of political economy that is coming into being. And so, you move in a sense from cooperation to the state, the form of the state develops, and then the form of the state is weakened by new transnational corporations. But they are themselves focused on the same sorts of extractive processes that initial companies like the East India Company were involved in. So, you have private security firms operating alongside large corporations, much as you had those functions operating with early East India Company and so on. So, I think the reason for making the connection is not to say that there's a circle, but that we haven't managed to identify the process and the mechanism by which we might break the dominance of private property. And I was taking C.B. Macpherson as somebody who was saying that the major issue is how to restrict private property, how to bring private property under human control. And that's a global question, and it's a global question in the context of colonialism. So, I think it opens up issues around how we can understand the environmental crisis, how we can understand the inequalities that global warming represents, and so on.

Phoebe Quaynor

Thank you very much. Scott, you can go.

Scott Burnett

Thanks so much. I think this is really so important to me, and so helpful. I've been thinking with some of your earlier work, a paper that you wrote with Gurminder Bhambra in 2018, where

some of these arguments were laid out about the relation between the modern welfare state and capital flows from the colonies. And one of them, in sort of, I don't know, responding to your critics or articulating this theory against, kind of, defenders of empire and capital. I wondered how you think about everything that's in the historical record where the colonies initially seem to have been seen as a drain on the public purse. A lot of the kind of anti-colonial sentiment in the 19th century in the UK, for example, was coming from politicians who said, 'These things are just too damn expensive. They have no benefit for us at all.' They were very often seen more for their strategic value in terms of where they were positioned or whether you could get a warship in them and for other purposes, other than the fact that ultimately, they turned into a system of massive capital transfer. So that, as you say, by 1929, Churchill could make that statement. But they weren't always that. So how did that logic work?

John Holmwood

Well, I would say in general terms, in aggregate terms, they are. And it just depends on how you measure these things. It doesn't mean that every single venture has to have a profit-generating role. So, the British possession of what used to be called Aden was to secure trade routes. So, Aden in itself is not profitable. The trade routes it is securing are what is profitable. So, there are in any complex ventures, things that contribute to costs and those costs are necessary to the realization of profit and revenue from it. So, I would approach it in that way. I also think that the public purse is an interesting concept because what happens is that lots of people try to get their hands in the public purse. So, if you haven't got your hand in the public purse, you can criticize those who have got their hands in it saying, 'Well, this is partial, and so on.' But in general terms, it's very difficult to avoid the conclusion that Britain goes to India. India is, in commercial terms, one of the wealthiest countries in the world. And indeed, it would be difficult. I mean, most of the places in which Britain is going are places that have managed to have crops on more than one annual cycle, which is the standard North European pattern. So, you are going to places where they are wealthier than you are. They don't necessarily have the concentrated ability to hold onto that wealth in terms of targeted incursions by force. But, Indian commercial wealth declined as British commercial wealth expanded. And unlike if you say the

political arrangements prior to Britain arriving in India, famine becomes one of the reproduced conditions of the presence of the British in India. And that's only because they're removing things from India that that is happening. So, I think one of the difficulties is the problem of understanding what Britain is as a 'system'. As if people wish to say, 'Well, let's think of what Britain as a nation-state is. And let's think of its budget and the public purse of Britain as a nation-state.' The public purse of Britain as a state was Britain and its colonies and possessions. And then how that is managed becomes part of the obfuscation of the state and its finances. I would say it's a feature of Britain still today, to be not transparent about the nature of budgetary lines and so on. Churchill was very clear, but that won't stop politicians from making reference to burdens. One of my favorite illustrations is if you look at Piketty's book on inequality over the centuries. He talks about India as an entity, as if India in 1750, India in 1850, is the same political entity as India in 1950 and in 2020. Well, of course, it's not. For much of that time, India was Britain. I don't say that as a statement of aggrandizement, but as a statement that you can't attribute to India things that are separate from what it is integrated with into the British system. So really, the quote I read from Lebovics about rapacious men. I don't believe rapacious men of wealth were interested in adopting burdens for themselves. So, I can't think of colonialism as anything other than a rapacious system. And that's why its *colonial*, not empire. I don't think the Mughal Empire was rapacious. I don't think the Ottoman Empire was rapacious. Rapacious is when an empire extracts resources for the metropole. And that extraction enables it both to present itself as a nation, the domestic part, and then have a whole series of discourses about its relation to the periphery, which are discourses of burden, discourses of underdeveloped, not-yet-ready, and so on. And all the time there's a flow going in the other direction, whereas pre-modern empires tended to be empires of incorporation that created resources that were used. I mean, I think it's not that there was no hunger in India in the Mughal period. Obviously, crops can fail, and so on, but there are measures; there are stores that are kept in order. Grain is moved from one region to another, and so on. This all ends with the extractive colonial overseas empire. So, I think the extent to which empire was about accepting burdens is very, very limited in the modern period, I mean non-existent, rather than limited.

Scott Burnett

I suppose the puzzle for me is *The Economist* magazine, Alexander Zevin's book like *Charts*. I think it's like 20 years or something like that when *The Economist* as the representative of the mercantile class and liberal ideology was profoundly anti-colonial. And I just wondered sort of ideologic. I mean what you describe is absolutely correct; that's how it was really working. I just wonder what was happening at the ideological level.

John Holmwood

That's what I'm saying about what it is to be anti-colonial is very specific within a framework of colonialism and empire. So, you could be all in favor of American independence where American independence was about being anti-color, that is anti-keeping America as a dependent colony of Britain, but that was on the basis of identifying with colonists as your fellow British subjects that ought to have same rights as free-born Englishmen and that is rights to representation. So, I think there's that kind of debate going on. And then, of course, there are debates against monopoly but which are really debates about opening up markets but doing so within the context of empire. So, Britain became very keen on free trade during the growth expansion of the empire. So, I think, it's a very specific and limited argument going on that's taking place within the language and understandings of colonialism rather than actually representing something radically different.

Phoebe Quaynor

Thank you, Professor Holmwood. We have another question from Chidi Ogwu, who thanks you for your wonderful talk and asked that given that it is ordinary members of the colonies who have borne their brand of colonialism and given that the global order set up by the colonial process does not look to be ending anytime soon. Do you have any thoughts as to how the victims of the colonial process, that is, the ordinary members of former colonies and Indigenous members of occupied territories, do you have any thoughts about how they ought to react in the face of colonial disempowerment?

John Holmwood

Yes; I do think the climate crisis and environmental crisis are bringing things to a head, that is, those who are bearing the costs who have been experiencing those costs for centuries are now being brought to the center of that process. It's becoming clear that climate change requires global redistribution. I think it would be powerful if global redistribution was based on reparation not simply on the basis of reparation but also on a critique of private property which would be focused on different kinds of rights of the population elsewhere, whether that is Indigenous populations or populations that has been dispossessed in other ways. So, partly what I would say is that the flaw and the kind of analysis of Macpherson is by making the issue around capital and labor. You look at a place, which is most developed in terms of capitalism and you say, 'Well, that's where the vanguard of the change is going to be.' If you say, 'Well, the capital-labor relation is not the key relation in colonialism, other relations are, then you potentially de-center Europe and its populations as being the agents of change. So, you, I think, extend the possibilities of different kinds of agency. And so, I don't want to say, well, what is it that others can or should do, but just say that, with a different kind of analysis, one opens up, breaks open space for different kinds of discussion of agency. And of course, some of those discussions are already taking place, but then it's an issue of social sciences to recognize them and understand them differently because they're adopting a different framework for their interpretation.

Phoebe Quaynor

Thank you. Mari has a question and wants you to elaborate on the idea of a system of racial colonization and asks, 'How is that different from racial capitalism?'

John Holmwood

Well, it's different from racial capitalism in the sense of arguing that it's not capitalism. So, the difference is in terms of the mechanisms to which you are attaching the terms of racialization. I think it's very difficult to understand racialization separately from colonialism. I think it's colonialism that produces the modern form of racialization and capitalism is embedded within colonialism. So, the difficulty you have as soon as you start talking about racial capitalism is that analytically, capitalism is race-blind and gender-blind. So, you're always adding the topic

of race or gender or some other category against what otherwise analytically is the logic of the framework that you're using. As soon as I say, 'Well, the political economy is colonial,' there's no need for you to think that the colonial exists in some kind of tension with its relation to race. Whereas capitalism, there is always a tension in the relation to race, I think, that derives from the theoretical structure that's already involved in the idea of capitalism.

Phoebe Quaynor

Thank you. Michael Scott has a comment, first he agrees with Scott's review of the expense of early colonial domestic criticism. His comment is that, not surprisingly, most decolonial academic and social activist circles in the Global South nowadays tend to view Western geo-NGOs and bilateral assistance, even UNDP programs as instruments of neo-colonial domination. And he's making this claim with confidence based on his international development work. And I wonder if you have a response to that, Professor Holmwood?

John Holmwood

Well, I'll respond initially to the first, but of course, the reason why early colonial ventures can be criticized, but the difficulty of criticizing them on the basis of their expense is, of course, their expenses were private. That is, the context in which the limited company was developed, people were investing in shares in the activities of the corporations and so on. So, you might criticize some of these ventures, but in a sense, they don't become part of the national policy until colonialism has started to establish and build in the, what one might call the military aspects of it. So, given that what one is analyzing is that neoliberalism is logically connected to colonialism rather than connected to capitalism, then I would say, 'yes,' as you have the power of the transnational corporations in the current period, then yes, the various kinds of government and intergovernmental organization become tied to the interests of those transnational corporations. So, I don't have any difficulty with talking of that as instruments of neo-colonial domination. So, I would agree with that comment—the second part, anyway.

Phoebe Quaynor

Thank you, Professor Holmwood. Dorothy has another one. Dorothy says, 'Can you throw more light on the relationship between the extraction of bodies by the colonies and racial capitalism? What will be the role of the current decolonization agenda in resetting this colonization, or is it to a dead end?'

John Holmwood

Obviously, I have to be committed to an agenda for decolonization because I do believe what we think of as capitalism to be colonization, just by virtue of its imposition of a system of private property. So, decolonization is a critique of the system of private property, I would say. And then the extraction of bodies, I think, that one of the interests, and again, going back to Macpherson, going back to the discussion in Locke, I mean, if you say, well, part of what is happening in Europe in terms of the enclosure movements, the introduction of domestic forms of private property that are challenging pre-existing rights within European countries. What is being offered to those who are, if you like, dispossessed within European countries? What is offered to them is possession elsewhere. So, emigration, migration, is absolutely bound up with the idea of Locke's theory of colonization and the idea of the Commonwealth as in a sense, expanded by migration and taking so-called unused land elsewhere into use. So, there's that logic there. But of course, emigration is insufficient and that's the basis of various kinds of coerced transfer of bodies. So, I think you have 'emigrationist' colonialism, if you like, in conjunction with forced labor. And that becomes the basis of quite severe racialized divisions within settler colonial countries. So, yes, I think that one needs to think of how these different processes intersect and that it's colonialism which is the connection between them. So, there's no dead end. The only dead end is the lives we're currently living in the West, I think, that is that they are not sustainable in the light of global issues. The real risk is how we can get recognition in the West of the unsustainability of our activities and the legacy of colonialism in producing our advantages and privileges. So that's one of the reasons why I think, well, there's a task for decolonization from the point of view of people who have been the subjects and have had colonialism imposed upon them. But there's also an issue of decolonization for the population that has been engaged colonization and how they come to the recognition of what it will be to

share a world in common with others and share the world equally in common with others. And I think you notice how much equality is a figure within the liberal tradition, and yet I think we've not really extended that idea of equality to understand that there's an equality of the rights of others to self-determination, equality of others to fruits of human activity, and so on.

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