

The Importance of Independence

Diego Maiorano



Imperialism and the Developing World:

How Britain and the United States Shaped the Global Periphery

By Atul Kohli

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In 2004, Atul Kohli wrote a book that would deeply influence a generation of scholars across a number of disciplines, including political science, development studies and economics. The book – *State-Directed Development: Political Power and Industrialization in the Global Periphery* – was a sophisticated analysis of the industrialisation processes in four countries, namely, South Korea, India, Brazil and Nigeria. It showed the critical role of the state in promoting – or hindering – industrialisation and the broader development. Fifteen years later, Kohli wrote a sequel to that important book – *Imperialism and the Developing World: How Britain and the United States Shaped the Global Periphery*.

Kohli's new work is as important, equally engaging, and as much thoroughly researched as the first 'volume'. It answers three key questions: first, why do imperialists imperialise? Second, how do they do that? And, third, with what consequences on both the metropole and the imperialised country? The book is divided into two parts, each covering one imperial power: Britain and the United States (US). Each part is divided into three chapters that cover a number of detailed cases studies, all structured around the three main questions of the book. The cases studies span from British India and Nigeria, to Britain's informal colonies of Egypt, Argentina and China. US Imperialism is analysed through historical accounts of the US's influence in the Caribbean and the Pacific, intelligence and military interventions in Iran, Vietnam, Chile and conclude with the US' global assertion through soft(ish) power in Latin America and military aggression in Iraq.

The main reason why imperial powers undertake the costly effort to imperialise is that it enhances their national economic prosperity. Here, Kohli's argument differs from the realists' interpretations of imperialism, as the main driver of imperialism is economic rather than political. However, for Kohli, national economic prosperity is not only an end in itself, but also a means to an end – that of increasing one's power position vis-à-vis competing powers. The argument is also in dialogue with Marxist's interpretations of imperialism, in the sense that the main way in which imperialism enhances national economic prosperity is via the provision of cheap industrial inputs for national industries extracted from the imperialised countries, as well as through the opening of new markets for domestic capital. However, Kohli's interpretation is significantly different from that of the Marxists as, in his view, the imperial state is autonomous from capital and does not necessarily bend to their desires.

Moving to the second key question of the book – how do imperialists imperialise? Kohli's answer relies on two key premises. First, the definition of empire is broad as it entails not

only formal colonisation – like British India – but also ‘informal’ imperialism, where the peripheral country maintains (formally) its independence, but the metropole has de facto veto power over certain policy decisions (particularly in the economic field). This is an important distinction, as most case studies in the book are not about countries that were formally colonised. However, Kohli’s argument is that, for instance, British control over China after the Opium Wars or the US’ power over the Latin American countries in the wake of the debt crises of the 1980s qualifies as informal imperialism in that the metropole is effectively able to limit the peripheral country’s economic sovereignty. This is indeed the second key premise of Kohli’s analysis of the modalities that imperial powers use to subjugate other countries: using their hard or soft power to make peripheral countries to adopt certain policies (like lowering import tariffs) or veto certain decisions (like subsidising domestic industries).

On the final question on the impact of imperialism, the answer relies on the key intuition that economic sovereignty is an important asset for a state. Thus, imperial powers, by limiting their subjects’ sovereignty, effectively stunt their development, very much to their own benefit. Kohli suggests that formal imperialism is more detrimental than informal one, although some legacies of formal and prolonged colonisation – like the relative effective state apparatus left behind by the British in India – were conducive to future development.

Overall, the book makes an argument that emphasises the importance, in a world of states, of the state’s independence in taking decisions for its own national prosperity. This is very much in line with his previous work, which recognised the state and its ability to cooperate but ultimately dominate society as a crucial precondition for rapid industrialisation and economic development. The argument can thus be read as a cautionary tale for developing countries against too deep an integration into the world economy too early in their developmental path. This is in fact an argument that political economists have repeatedly made, especially when analysing the success of the East Asian countries, virtually all of which participated into global trade, but retaining firmly the control over their own economic sovereignty.

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Dr Diego Maiorano is a Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). He can be contacted at dmaiorano@nus.edu.sg. The author bears full responsibility for the facts cited and opinions expressed in this paper.