

The Opium Wars and Capital Accumulation: Comments on Karl Marx's Perspectives on the Qing and England Recorded in *The New York Herald Tribune*

Hongren Xie



Hongren Xie is Associate Professor in the Department of Sociology, Fu Jen Catholic University. He specializes in development studies, classical sociology, and historical sociology. Besides articles in Chinese and English journals, his recent publications include five Chinese books such as *Embarrassing Sociology: Let Us See How/Why Max Weber Misled Our Thought: 1.0, 2.0, 3.0, and 4.0* (Taipei: Wunan Publishing Co., 2015, 2019, 2020, 2022) and *Eurocentrism and Social Sciences* (Taipei: Wunan Publishing Co., 2022), and an English book *Rethinking China's Historical Development: A Revision of Entrenched Misreading of Chinese Society* (London and New York: Routledge, forthcoming). Email: 065780@mail.fju.edu.tw

Abstract: Karl Marx, a pioneer of anti-imperialism (or anti-mercantilism), was exiled in the 1850s in London. A decade later, he wrote nearly 500 editorials for *The New York Herald Tribune*. Although a handful of these editorials offer important clues for understanding Marx's thinking on imperialism, these writings have been largely ignored. This study fleshes out Marx's thinking, especially with respect to the relationship between wars and capital accumulation. This article employs the example of the Second Opium War, launched in the mid-1850s. The dominant Western powers at the time, such as Great Britain and France, advocated mercantilism, usually supported by military force, and regarded wars as a quick method to accumulate capital for national wealth. Additionally, Britain skillfully maneuvered its cultural hegemony by using its official periodical, *The Economist*, to legitimize the wars against Qing China. In the mid-nineteenth century, Marx had already clearly observed the close relationship between the Opium Wars and capital accumulation.

Key words: capital accumulation; Marx; mercantilism; Opium (Wars)

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Introduction

One of Great Britain's motives in launching the Opium Wars was for capital accumulation. However, scholars have largely ignored the relationship between the wars and the aim of achieving national wealth. Rather, decades of research have been focused on delineating the supposed entrenched misunderstandings, i.e., cultural differences or even conflicts, between Eastern and Western civilizations. In particular, the “kow-tow” has been highlighted as exemplifying the stubbornly antiquated, insular, and stagnant Chinese rituals and ways of thinking in general.

Viewed from the angle of industrial competition, what caused the Opium Wars (hereafter, “the Wars”) can be described concisely as follows. Because Britain was unable to dominate Qing China in the tea sector, concern arose among British leaders and merchants about mounting deficits in precious metals, specifically silver. In the wake of the Industrial Revolution, tea drinking had become a daily habit for hundreds of thousands of British workers, and the demand specifically for Chinese tea was causing substantial amounts of silver outflow to China. Given the context of mercantilism,¹ this outflow of silver meant the decline of national power. Britain urgently needed to halt that decline by finding a way to reverse the direction of silver flows. The challenge for British merchants was that they had few factory-made items from, say, London or Manchester, to appeal to Chinese consumers. This was especially true for Chinese residing in the Lower Yangzi or in the Zhujiang Delta, whose tastes had been refined because of their prosperous local economies.

Concerned about the poor performance of British goods in the Chinese markets, the British parliament eventually agreed to the planting of opium in subcontinent India, a colony of the British Empire (Wong 1997). Tens of thousands of boxes of opium, an agricultural good, were shipped to China, successfully reversing the flow of silver into British coffers again.² Simply put, the root cause of the Wars was that Britain bought too much tea from the Chinese, resulting in a trade imbalance despite British expectations based on its then-advanced economy. Ironically, the agricultural item chosen to reduce the imbalance, i.e., opium that is grown in the field, helped propel the British economy in the aftermath of the Industrial Revolution. Naturally, this narrative about the Wars' true cause is not one the British prefer to have publicized. Significantly, the Eurocentric biases in history and sociology have been able to persuade even the Chinese intelligentsia in the past century and more to firmly believe not only that cultural conflicts between the East and West do exist, but that the Opium Wars were inevitable due to those conflicts. Once scholars recognize wars as a viable way to accumulate national wealth, then the analysis of the Opium Wars becomes a key to understanding nineteenth-century world history, at least in terms of East–West interactions.

In the 1850s, Karl Marx (1818–1883) was forced into exile in London, where among other subjects he seems to have studied Qing China. Many Londoners were still savoring the joyful ambience of the early 1840s victory in the First Opium War on China. Indeed, while he was residing in London the feuding Great Britain and France “unexpectedly” forged an alliance to wage wars against China, so as to force the Qing to legalize opium as a commodity which could be freely sold in the Chinese markets. It is not difficult to imagine that Marx—who had been concerned his entire life about human society—might have critiqued particular diplomatic and military actions conducted around the globe by European imperialism, supposedly the pinnacle of capitalism.

The current study aims to fulfill two aims. The first is to clarify the reasons why the Opium Wars were supposedly unavoidable. Despite being “industrialized,” Britain could not have competed with the so-called agricultural Qing, which excelled at handicrafts. Accordingly, the former had militarily threatened the latter in an attempt to correct the trade imbalance by selling illegal opium in the Chinese territories. Moreover, Britain was accustomed to the manipulation of cultural hegemony. Under the flag of “free-trade” ideology, the misconduct of officials and merchants was almost entirely concealed. Related to the first aim, the second is to highlight the intimate relationship between “wars” and “capital accumulation” by investigating the distorted reasons behind the Opium Wars. This article posits that the connections between “wars” and “justice” have blurred the analytical gaze of the field for quite some time.

Before the analysis, it had better briefly explain the articles by Marx that will be cited. All articles were originally published in *The New York Herald Tribune* (or simply *The Tribune*). In August 1849, after being exiled by the municipal government of Paris, Marx with his family members ultimately settled in foggy London. There, he was employed by Horace Greeley, who established *The New York Herald Tribune*. In around the ten years he wrote for *The Tribune*, Marx was paid for 487 articles, all of which were published as headline news. Marx, never having been in good health and apparently also finding it a challenge to write in English, seems to have convinced his friend and comrade, Friedrich Engels, to write some of the columns—especially those having something to do with military drafts (Sperber 2014). This study is based on the texts published in *The Tribune* when Marx served as its correspondent in the 1850s. All of the short articles discussed below were included in *Marx and Engels’s Collected Works*.

Why Were the Opium Wars Unavoidable?

Given the terms under which Marx wrote for *The Tribune*, the writings represent his view of what was happening in that period. He wrote hundreds of editorials,

some of them related to topics addressed in this study, such as imperialism, the Opium Wars, capital accumulation, the relationship among them, and the like. These valuable articles have largely been ignored by scholars, and this article discusses them one by one, separating the analysis into three parts.

The first part relates to cultural conflict between the East and the West. The second regards the industrial competition between the British Empire and the Qing. This division of topics allows us to see better why the Opium Wars have been viewed as “inevitable.” We begin the second part with a leading article, “Revolution in China and in Europe,” published on June 14, 1853, so as to learn the extent to which Marx understood China in his initial London years (Marx 1853 [2010]). The third part discusses what happened with China’s textiles in the decades after Marx passed away in 1883.

Cultural Conflict

In historical comparative studies, issues of cultural conflict have been one of the major themes when comparing the East and the West. The clash of cultural difference has been regarded as an element that ensured the East’s decline and the West’s ascent since the mid-nineteenth century and possibly earlier. In world history, without much disagreement, the Opium Wars were seen as a turning point from which the West grew stronger and stronger, and the East weaker and weaker. Specifically, when the British ambassador George Macartney (1737–1806) encountered Emperor Qianlong (1711–1799) in Beijing, the question of whether or not Macartney should kow-tow was viewed without question as the trigger for launching wars. Moreover, this moment of intense cultural conflict has been accepted as a major explanation for why the wars between Britain and the Qing was inescapable. This perspective has remained largely unquestioned, whether by scholars or history buffs. Here, three examples are provided to demonstrate.

To begin with, in *The Opium Wars: The Addiction of One Empire and the Corruption of Another*, Travis Hanes III and Frank Sanello devote an entire chapter to the causality between old-fashioned Chinese rituals and the Qing’s tragic downfall (Hanes III and Sanello 2005). Compared with the modern and civilized British, the Qing are depicted as stubborn, leading the authors to the conclusion that “the Opium Wars were an inevitable ending” (Hanes III and Sanello 2005, 13). But why couldn’t the differences between British and Chinese rituals be resolved through rational communication? Why were the Wars a foregone conclusion? Why were the supposedly civilized Britain so quick to resort to wars? This article has many objections to the conventional assumptions of these authors, and will elaborate on them below.

Second, while discussing the Treaty of Nanjing, Ma (2011, 201) suggests both that “what the Treaty solved is the Wars, but not cultural differences between the East and

the West, and that the Heavenly dynasty was doomed not to get along with foreigners.” In other words, according to Ma, the sound of guns and cannons temporarily stopped but the cultural conflict continued. And yet, in previous decades the Heavenly dynasty seemed to have no difficulty engaging in trade as well as scholarly and technological exchange with foreigners. Centuries before, as well, the royal families of the Tang dynasty (618–907) seem to have interacted regularly with foreigners. Given this past amicable history, why, then, was the Heavenly dynasty doomed to create unsolvable problems with outsiders? In the Southern Song dynasty (1127–1279), numerous Arabians resided in Quanzhou. Indeed, this ancient world city eventually became another hometown for Arabian “outsiders.” Historically speaking, then, the Chinese have had intimate relationships with people from afar. What, then, is Ma’s rationale for suggesting that the Chinese were unable to get along with outsiders?

The third example is Alain Peyrefitte’s work, *L’Empire immobile ou le choc des mondes* [Immobilized Empire]. One of the main interests with this work revolves around the first encounter it depicts between Ambassador Macartney and Emperor Qianlong (Peyrefitte 2015). This unpleasant meeting, according to Peyrefitte, made the Wars unavoidable. It should be noted, however, that primary sources mention that Macartney dropped onto one knee rather than following “outmoded” Chinese rituals. Moreover, there is no record of Qianlong having been angered by Macartney’s “impoliteness.” It can be argued, therefore, that this encounter did not become a serious diplomatic event at the time, or at least it was less serious than Peyrefitte suggests. To summarize, cultural differences do not necessarily escalate into conflicts. Additionally, when the evidence does not support conventional views, it is the task of scholars to investigate factors that may be missing from the discourse due to biased oversight or deliberate attempts to revise historical memory.

In this article’s estimation, it is methodologically unsound to focus only on cultural conflict to understand important changes in human history. Such an approach makes researchers neglect the analysis of complicated politico-economic factors that might be more relevant. This article returns to this point in the next section, which is on industrial competition.

Industrial Competition between Qing China and Great Britain

This article starts the discussion by introducing one of Marx’s editorials, “Revolution in China and in Europe,” due to its pertinence to scholars’ concerns. Marx argues:

Before the British arms the authority of the Manchu dynasty fell to pieces; the superstitious faith in the eternity of the Celestial Empire broke down; the barbarous and hermetic isolation from the civilized world was infringed; and an opening was made for that intercourse . . . At the same time the silver coin of the Empire, its lifeblood, began to be drained away to the British East Indies . . .

Up to 1830, the balance of trade being continually in favor of the Chinese, there existed an uninterrupted importation of silver from India, Britain and the United States into China. Since 1833, and especially since 1840, the export of silver from China to India has become almost exhausting for the Celestial Empire. Hence the strong decrees of the Emperor against the opium trade, responded to by still stronger resistance to his measures. Besides this immediate economical consequence . . . these dissolving agencies [such as the import of factory-made items from overseas, the indemnities of the Opium Wars, exorbitant taxes, and the like are] acting together on the finances, the morals, the industry, and political structure of China . . . [In sum,] the English cannon in 1840 . . . broke down the authority of the Emperor, and forced the Celestial Empire into contact with the terrestrial world. (Marx 1853 [2010], 94–95)³

Especially given the paucity of data available on China 170 years ago, Marx's research and insights regarding Qing officials' worries over the shortage of silver are admirable.

But we need to emphasize two points, at least, in this leading article. The first one is about the confidence of British officials and merchants. After the Industrial Revolution, businessmen in Great Britain were generally confident about their products made in the then "modern" factories. The Chinese market was no exception. Second, in the mid-nineteenth century, Marx was already aware that the British were prone to unreliable statements when discussing the ideology of mercantilism. On the one hand, British merchants wanted to pursue so-called "free trade." On the other, they knew full well that the most obvious way for them to correct the trade imbalance with China was to engage in the sale of opium, but that opium was prohibited by the Qing. Given the circumstances, the British would be able to sell opium to China only if through "unusual" means, that is to say, by launching wars. There are a number of doubts about the historical narrative handed down in the past century and more. If the goods made in British factories were well made and useful, why was opium the only item that could be sold profitably in the Chinese market? Would it not be ironic for an industrialized nation to promote an item that was not only agricultural but illegal? And yet, what could Britain possibly do if China decided to further erode British profits by refusing to legalize opium? In their desperation, British merchants apparently felt they had no choice but to continue to smuggle opium into China while parliament looked the other way in order to protect national interests.

In the paragraphs mentioned above, Marx states that the products made by British merchants were sold out in markets, no matter where they were. He also mentions that before 1830, China usually reaped positive results from international trade, i.e., the value of exports was higher than that of imports. In contrast,

India, Great Britain, and America suffered from an unfavorable trade balance, with the result that silver constantly outflowed to the Qing's treasury. But things began to change after 1830. China no longer enjoyed a favorable trade balance. Marx is therefore correct in arguing that China was losing its advantages. But a closer look at history indicates that the story would not have ended here, as the Qing had, to various degrees, suffered from trade losses since the 1830s and yet maintained its advantage overall. Given Marx's astute observations regarding commerce between the West and the East, he would surely have had much to say about developments in the 1880s. Unfortunately, he died in 1883, too soon to assess some crucial events. This study aims to complement Marx's original analysis.

When it comes to industrial competition, scholars have reached a general agreement. The conventional narrative is as follows: The 1780s Industrial Revolution had allowed Great Britain to produce commodities in accordance with capitalist principles, featuring mass production in factories. This reduced labor power and hydropower, thereby lowering the total cost of production. Inexpensive yet high-quality goods were produced in British factories for distribution to consumers around the world, including in China. Because these goods were competitively produced commodities in high demand, they were often sold out. The narrative continues that, after the Opium Wars, China was unable to escape its doomed fate. When foreign items came to China, local goods would have lost market share due to their poor competitiveness. In a nutshell, local companies were hard put to survive, as a result of the dire situation brought about by external competition.⁴ This article underscores that this consensus viewpoint was already popular in the nineteenth century, and that Marx was no exception in his belief that the Industrial Revolution made British factory-made items absolutely competitive.

Elsewhere in "Revolution in China and in Europe," Marx stated that "In China the spinners and weavers have suffered greatly under this foreign competition, and the community has become unsettled in proportion" (Marx 1853 [2010], 94). At first glance, this may sound like a plausible claim. However, there are some discrepancies between what Marx wrote and the historical facts. Marx believed that China's cotton sector had lost its advantages since the 1830s and came to an end later on. But history tells us a different story. This article will delineate his oversights below, in order to complement the lacunae that he unintentionally left behind.

What Happened with Chinese Textiles after Marx's Death

As noted above, Marx died in 1883, too soon to know the fate of China's cotton textiles sector after the 1880s. As a matter of fact, cotton handicrafts were not defeated by global competition but survived beyond the late nineteenth century, even prospering in the early twentieth century. In this regard, the arguments of

Hamilton and Chang (2003) are useful for understanding the developments in the Chinese textile sector after the mid-nineteenth century. They assert:

From the 1850s to the 1930s, when the economic depression and the Japanese invasion had irretrievably destroyed Chinese daily life, China's cotton handicrafts had not only survived serious attacks from the Western powers and the imports of Japanese textiles but also enjoyed prosperity. As a matter of fact, this was the peak of Chinese handicrafts. On the one hand, Chinese handmade textiles supported most of the cotton clothes in domestic markets. On the other, the goods became significant exports at the same time . . . In 1870–1925, the amount of native cloth [*tubu*] expanded 80 times over. Millions of households were quite busy using cotton yarn to make clothes. Additionally, thousands of small-scale workshops were engaged in weaving, dyeing, and sewing works. (Hamilton and Chang 2003, 199)

From the above, we see that Marx would have perceived cotton textiles in China as lagging behind from the 1840s onward. However, according to Hamilton and Chang (2003), China's cotton handicrafts continued not only to survive until the 1920s, but even to flourish in some periods. Hamilton and Chang have an advantage over Marx, in that they have access to data that was not available during Marx's lifetime. However, while Hamilton and Chang have raised an important point regarding the viability of cotton handicrafts into the twentieth century, they have not taken their assertions far enough. Some other studies, specifically the following one conducted by Chao and Chen (1977), can help us to explain the variety of interpretations. Chao and Chen, in our view, more fully supplement Marx's observations of Chinese economic development that were cut short by his demise.

Chao and Chen suggest that from the 1880s onward, noteworthy changes took place in China's native cloth sector. Given the timing of these changes, it is obvious that Marx could not possibly have learned what was happening in the industry in China. As for the substance of these changes, exports of China's native cloth continued to grow and reached its peak in the early 1920s. On average, this highly competitive sector earned 4 million taels per year. This has something to do with the household production system, which consisted of millions of households around Jiangnan (the Lower Yangzi). One of the major characteristics is the employment of unpaid labor, notably females in local households. This system had defeated not only handicraft workshops but also competed with the then newly-established factories for cotton textiles (Chao and Chen 1977, 104–105).⁵ One reason worthy of mention is that this system could reduce labor costs to a bare minimum. Then as well as in the present, handmade commodities often, if not usually, represented higher quality and thus were associated with higher status. In a sense, then, it can be argued that Hamilton and Chang's (2003) research

complements Marx's writing on the development of China's cotton textiles after 1830. What happened after 1840, then, for the outcome to differ from what Marx had expected? As Chao and Chen have noted, China's cotton industry was hardly defeated by foreign competition after the Opium Wars as Marx argued would happen, but survived or even prospered in some decades. This is the main argument to be delineated by this current study.

As discussed above, then, the generally accepted viewpoint—that China's textiles were seriously beaten after 1840—is inaccurate. More importantly, this erroneous way of thinking has been hidden deep in the minds of the contemporary Chinese intelligentsia and thus has remained difficult to remove. This reminds us of the critiques related to ambiguous historical writings about China, particularly the periods after the mid-Qing. Timothy Brook persuasively argues that Chinese scholars have relied on inappropriate concepts, borrowed from narratives related to capitalism, in trying to understand their own history. The primary argument to explain China's economic and military defeat has been the Opium Wars, with a string of defeats at the hands of foreign powers following suit (Brook 1999). In particular, educated Chinese after the mid-nineteenth century blindly accepted Western binaries regarding attempts to understand China by differentiating only between capitalism and feudalism (or non-capitalism). In other words, the intelligentsia were persuaded through their Westernized training methods to believe that China's long and non-capitalist past made their giant country stagnant. Therefore, when concerning themselves about Chinese industrial competition against Western powers, scholars' and pundits' minds usually, if not always, came up with the Industrial Revolution first, then the concomitant factories, large-scale production, higher productivity, and lack of solutions for the problem of overproduction, as the catalyst for China's defeat in the textiles market.⁶ According to Brook, this perspective is the same reason why Marx believed that after the 1830s China's cotton textiles looked unpromising.

Another editorial by Marx, "The Crisis in England," tells us that England did *not* have an advantage in terms of industrial competition. Overproduction is simply too common, and thus Britain could not escape such an unlucky destiny either. "The Crisis in England" reveals that as early as September 1854, Marx was already noticing a problem with overproduction in British factories, despite the confidence of British businessmen in 1855 about items made in their factories, starting with the printing factories of Manchester and its suburbs. Belying their confidence, however, some businesses and even time-honored stores faced collapse. Some shipowners, especially those who conducted business with the Chinese, and subsequently those who traded with businesspersons in California and Australia were all confronted with bankruptcy. Finally, those who did business with the Chinese

and Indians faced similar difficulties resulting from overproduction (Marx 1855a [2010], 61).

But what does overproduction mean? If specific goods could find consumers in some markets, then none would worry about the problems, such as the extra cost of materials, inventories, personnel, and the like, that overproduction could cause. Why were the British merchants bankrupt? This is simply because there were (far) fewer consumers than expected. At that time, British legislators were worried about the substantial amounts of silver outflow. This concern indicates their understanding that Britain was not only incapable of accumulating capital but also was incapable of stopping the leak of its national strength. From their perspective, therefore, what Britain had to do was to find at least one item to attract Chinese consumers and thereby reduce the trade imbalance. But unfortunately, not a single item could be identified. Here we briefly repeat that generally agreed-on viewpoint, as follows: After the Industrial Revolution, British merchants occupied an advantageous position in the worldwide competition simply because of the early adoption of technologies and methods of mass production. Accordingly, without much difficulty, Britain should have found commodities favored by consumers, sold them to China, and reversed the direction of silver flows. But in reality, this agreed-on viewpoint never materialized. Zhao in his “Rethinking the Chinese World Order” outlines the dire situation in Britain at the time and has these observations to share:

As the British bought many Chinese products but had *difficulties* finding goods that the Chinese would buy from them, the gap in the balance of trade grew wider and had to be filled with silver. But silver was a scarce metal. The British were eager to find a new commodity that they could supply in large quantity and with which they could also find a massive market in China in order to open the Chinese market and balance their trade payment. Opium was discovered. For the British, it did *not matter* if the trade was in opium, cotton, sewing needles or any other product as long as there was demand that could help solve the balance of payment problem. (Zhao 2015, 978; emphasis added)⁷

Zhao states that British merchants failed in their efforts to market British wares to consumers, but that an agricultural item, opium, was identified as a potentially lucrative commodity that could be brought into China. Clearly, the merchants involved were unconcerned about what they were selling as long as it sold. Their ruthlessness is a testament to the fact that it was a challenge for them to sell factory-made items in the Zhujiang Delta, where consumers were relatively affluent and were not easily satisfied. British-made cotton and sewing needles did not perform

well on the market, as there was nothing special about them in the minds of prosperous Chinese consumers.

With respect to Britain's national wealth, no alternative seems to have been available than the opium trade. But how is it that this illegal business managed to become an alibi for launching wars? This kind of immorality from an ostensibly civilized Christian nation would have needed to be beautified by the imperial media, a useful tool to (re-)strengthen cultural hegemony that will be discussed later. Not surprisingly, Marx had something to say about the coexistence of illegal opium and legal commodities. In "History of the Opium Trade," Marx insightfully noted that, "The Chinese cannot take both goods and drug . . . extension of the Chinese trade resolves into an extension of the opium trade; the growth of the latter is incompatible with the development of legitimate commerce . . ." (Marx 1858a [2010], 14). From a long-term perspective, the British should have developed trade with China in a lawful way. But from a short-term one, Marx is correct in arguing that Britain did not give much thought to the ban on opium. After all, neither British parliamentarians nor merchants could possibly have given up such a highly profitable business simply because it was immoral.

As the world's first industrialized country, the best-selling British commodity was not made in its then-modern factories. Instead, an agricultural item, opium, is what helped Britain earn back its money. It is doubtful that the success of the Industrial Revolution was supported, to a great extent, by the opium trade. In "Revolution in China and in Europe," Marx expressed sympathy toward China about the effect of the trade, sighing that "It would seem as though history had first to make this whole people drunk before it could rouse them out of their hereditary stupidity" (Marx 1853 [2010], 94). In contrast to Marx's opinion, however, it is British drug purveyors that wanted to make the Chinese drunk.

War: An Expedient Way of Getting Rich

In this section, we discuss the editorials written by Marx in *The Tribune* to see how Western powers, notably England and France, waged wars against China in order to accumulate capital. From his writing, it is clear that the wars were less about defending English or French borders and ways of life against an external threat, than about the amount of compensation that could be extracted from China.

Here we focus on the Second Opium War (1856–1860), one in which the Chinese viewed their enemy as the Anglo-French Alliance. During the war, on June 23, 1858, the Qing signed the Treaty of Tianjin with Great Britain, France, America, and Russia. The Qing agreed to open more ports, e.g., Niuzhuang, Dengzhou, etc.,

allowed foreign ambassadors to stay in Beijing, and reluctantly permitted foreign ships to navigate the tributaries of the Yangzi River.⁸

About the sailing “rights” China ceded, Marx wrote the following in “The New Chinese War.” He says:

whether, on the supposition that the treaty of Tien-tsin stipulates for the immediate access to Peking of the British Ambassador, the Chinese Government have committed an infraction of that treaty, wrung from them by a piratical war, in withstanding the forcible passage by a British squadron of the Peiho River? As will be seen from the news conveyed by the Overland Mail, the Chinese authorities had objected, not to the British mission to Peking, but to the British armament ascending the Peiho . . . Even if bound to admit their pacific Ambassador, the Chinese were certainly warranted in resisting their armed expedition. (Marx 1859 [2010], 510)

Here what we learn from Marx is that the time and location for waging a war was not an unsolvable problem. This biggest one, for the Western powers, was to make sure that a war could bring a fortune back to or accumulate capital for their countries. But for what reason did France ally itself with Great Britain? Were these powers not enemies in many regions worldwide?

As a matter of fact, in the 1850s both Britain and France imported a substantial number of types of grain, most of which were brought from America. In purchasing food, both countries were competing against each other, and as a result, their demand pushed prices up. At that moment, in the article “The Commercial and Financial Situation,” Marx mentions that France owned little capital and had issued too many bonds. The official periodical of London, *The Economist*, claimed that this could cause devaluation and create financial disorder. Paris could have fallen into chaos (Marx 1855b [2010], 536). Rapidly, these two enemies turned their relationship into cooperation in an effort to win the upper hand against the Qing. Additionally, another state, Russia, refrained from allying itself with the Western powers, yet achieved far more gains against the Qing than the numbers Britain reaped in the two Opium Wars. Indeed, Marx points out in his article, “The British and Chinese Treaty,” that Russia greatly exploited its neighbor when the Qing was in crisis (Marx 1858b [2010]). This is indubitably another example of the ways in which Western powers accumulated wealth.

Hypocritical Mercantilists: Royal Families and Businessmen

Now let us examine how Marx could see through the hypocrisy of the British royal family and London-based merchants involved in trade with China. Simply put, the British gentlemen were not only mercantilists—usually with the support of

military force—attempting to earn high profits, but they also cared greatly about their prestige and thus made efforts to beautify their aggressive and predatory actions worldwide.

Marx penned three editorials regarding their hypocrisy. The first one, already discussed above, was published on September 20, 1858, and titled “History of Opium Trade.” The second one, also called “History of Opium Trade,” was published on September 25, 1858. The third one, published in October 1859, is called “The New Chinese War.” Some paragraphs in these leading articles are worthy of our attention. The first article says:

About 1798, the East India Company [EIC] ceased to be direct exporters of opium, but they became its producers. The opium monopoly was established in India; while the Company’s own ships were hypocritically forbidden from trafficking in the drug, the licenses it granted for private ships trading to China contained a provision which attached a penalty to them if freighted with opium of other than the Company’s own make. (Marx 1858a [2010], 15)

Significantly, the EIC had monopolized the production of opium, but ships owned by the company did not carry the illegal drug. The EIC instead issued licenses to Chinese ships, which were banned from carrying goods other than the EIC’s opium. In other words, licensed Chinese ships could only carry opium monopolistically produced by the EIC. This meant that all profits went into the EIC’s pockets, and yet the EIC also managed to avoid the unfortunate title of drug dealer. Marx disapprovingly observed that “While the semi-barbarian [Chinese] stood on the principle of morality, the civilized opposed the principle of pelf” (Marx 1858a [2010], 16).

We move to the second editorial, also called “History of Opium Trade.” In this article, Marx used the adjective “hypocritical” to represent the British government. He writes:

We cannot leave this part of the subject without singling out one flagrant self-contradiction of the Christianity-canting and civilization-mongering British Government. In its imperial capacity it affects to be a thorough stranger to the contraband opium trade, and even to enter into treaties proscribing it. Yet, in its Indian capacity, it forces the opium cultivation upon Bengal . . . keeps the wholesale manufacture of the deleterious drug a close monopoly in its hands; watches by a whole army of official spies its growth, its delivery at appointed places, its inspissation and preparation for the taste of the Chinese consumers, its formation into packages especially adapted to the convenience of smuggling, and finally its conveyance to Calcutta, where it is put up at auction at the Government

sales, and made over by the State officers to the speculators, thence to pass into the hands of the contrabandists who land it in China. The chest costing the British Government about 250 rupees is sold at the Calcutta auction mart at a price ranging from 1,210 to 1,600 rupees. But not yet satisfied with this matter of fact complicity, the same Government, to this hour [1858], enters into express profit and loss accounts with the merchants and shippers, who embark in the hazardous operation of poisoning an empire [China]. (Marx 1858d [2010], 19–20)

The British government banned the opium trade, but this was only lip service. Although it appeared as if there was no relationship with drug smuggling, in its actions as the Indian government, it forced Bangladesh to engage in opium planting and adjust the flavor to satisfy Chinese taste. More importantly, the EIC did not deliver the opium itself but asked private merchants to do so. This company thus avoided condemnation quite successfully, while benefiting from profit margins as high as 540% (Marx 1858d [2010], 19). Until the first of Marx's two articles titled "History of Opium Trade" was published in 1858, the EIC continued to smuggle drugs to China and conducted this highly profitable business through the activities of private merchants. It was in this very year that Britain (and France) forced China to accept opium as a legal item on which customs taxes could be levied. Marx's comments suggest that he was able to foresee what would happen in the Far East after his untimely death.

Marx's third article, "The New Chinese War," refers to the Second Opium War. The paragraph related to our concern is relatively short, but the following sentences orchestrate the argument, that is: the reason for waging a war is not necessarily convincing as long as people are willing to believe it. More importantly, the true reason—reaping economic benefits or accumulating capital—must remain hidden. Marx argues:

After a first Chinese war undertaken by the English in the interest of opium smuggling, and a second war carried on for the defense of the lorcha of a pirate [a British naval vessel sailing illegally in Peiho River], nothing was wanted for a climax [of the conflict between Britain and the Qing] but a war extemporized for the purpose of pestering China with the nuisance of permanent Embassies at its Capital. (Marx 1859 [2010], 524)

This short paragraph was published in September 1859, during the Second Opium War. In the First Opium War, Britain could only clandestinely transport opium into China. This notion troubled the British because their interests could potentially have been interrupted. Additionally, the British government knew from experience that wars could make the situation easier to manipulate. One

principle needed to be obeyed, however: Any greed over money or capital must be concealed. In accordance with mercantilist principles, all effort must be made to ensure that a war has nothing to do with chasing profits. This is why Marx argued that Britain might conceivably maneuver toward a third war or even a fourth one. Yet again, war was being waged as a quick method for accumulating capital and national wealth. With respect to national wealth, the name of Adam Smith comes to mind. The ideology of “free trade” was supported by British legislators and merchants alike, making Britain more prosperous than other nations. Indeed, Smith did not speak out directly against the trade of opium. In other words, the British followed both what Smith said and what he did not say.

From this discussion, we have observed that before the 1850s Great Britain employed illegal and immoral methods to accumulate capital. And a major approach for gathering wealth is war, a fact conventionally ignored by scholars. Now, to further clarify our vision which was only vaguely delineated earlier, let us analyze a few cases to show the intimate relationship between the British royal family and pirates. The following events happened centuries before the Opium Wars took place. In other words, Britain employed wars as a method for the rapid accumulation of capital much earlier than discussed above. Isami Takeda suggests that the reason why English hegemony came into existence is the close connection between Queen Elizabeth I (1533–1603, r. 1558–1603) and pirates. A leading pirate, Francis Drake, won the Queen’s highest “respect” because of the profits he achieved. But how much money did Drake bring Elizabeth I? One estimate shows that “he gave 600,000 pounds to the government and 300,000 went into the Queen’s pocket. At that time, six hundred thousand pounds equaled three years’ fiscal budget for the government” (Takeda 2012, 19). These are the kind of high returns that encouraged officials and bandits to collaborate.

As a matter of fact, Queen Elizabeth I entrusted Drake’s pirate groups to function as fighting ships for England. Drake had shown his capability by circumnavigating the earth. In 1582, Drake became the mayor of Plymouth as he had long wished and was heralded as a national hero. After this appointment, the Queen assigned several missions to Drake, such as “to plunder the Caribbean (September 1585 to July 1586),” “Ambushing the Spanish Cadiz and robbing the Spanish King’s ships (April to July 1587),” “Attacking and Destroying the Armada (July to August 1588),” and “As the Commander of an Expedition in the Iberian Peninsula,” and so on (Takeda 2012, 442–443).

From the above, Great Britain has wholeheartedly embraced the ideology of mercantilism. To achieve its aim, i.e., accumulating capital more quickly than other Western competitors, Britain conducted unlawful activities so as to win an advantageous position in the world’s zero-sum game. It is not unreasonable to claim that the present-day statuses of the world’s so-called advanced nations must

have something to do with their misconduct in past centuries. But who has helped to camouflage the dubious conduct of the so-called “advanced” countries and their misbehaviors? We investigate this in the next section.

The Camouflaging of British Cultural Hegemony by *The Economist*

In the contemporary era, it is commonly recognized that cultural hegemony can help us understand the high-ranking positions of core countries in economic, political, diplomatic, and military terms. In addition, in terms of cultural “advantageousness,” core economies always enjoy their priorities through discourse power—the right to set agendas—that allows them to strengthen their hegemonic statuses. Nevertheless, it is less well known that as early as the mid-nineteenth century, Britain had already been skillfully operating a kind of cultural hegemony almost exclusively enjoyed by the most “advanced” economy.

Marx referred at least twice in *The New York Herald Tribune* to the political standing of *The Economist* and this journal’s opinions on some important events. In other words, at least two editorials show that *The Economist* was indeed a camouflage artist for the British government. These two articles were both published in October 1858, with one on the 5th (titled “The Anglo-Chinese Treaty”) and the other on the 15th (“The British and Chinese Treaty”). In the first article, Marx tries to identify the reason(s) why the First Opium War (1842) failed to meet the British goal of harvesting more reimbursements in terms of interests. This way of thinking was pervasive at the time the article was published in 1858. *The Economist*, the then-famous journal of free-trade factions, also admitted this failure. According to Marx, “Having stood forward as one of the staunchest apologists of the late invasion of China, that journal now [1858] feels itself obliged to ‘temper’ the sanguine hopes [regarding expectations toward high demand from China for British industrial products]” (Marx 1858c [2010], 28).

In the second article, Marx discusses the greed revealed by *The Economist*. He argues that the

very pleasant calculations as to the beneficial effects of the Sycee silver [from the Second Opium War reimbursements] upon the balance of trade, and the metal reserve of the Bank of England, were entered into by *The Economist* and the writers of money articles. (Marx 1858b [2010], 47)

Although these two articles are interrelated in terms of addressing “business” interests, we must recognize that these sorts of interests—the amounts of accumulating capital—used military force to threaten those who were unwilling to accept the conditions imposed by Britain. In a nutshell, it is reasonable to argue that

cultural hegemony was already fully on display in the middle of the nineteenth century. There is no need to point to more recent examples.

In the present day, many Chinese benefit from the learned arguments explicated by *The Economist*. But few of these readers have paused to think about the historical reality that, more than a hundred years ago, this journal supported the Opium Wars without hesitation. Human history is full of such ironies.

Conclusion

The word “capitalism” has for decades been linked directly in the minds of many to “liberty,” “equality,” and “wealth.” This economic system has long held the misleading power to evoke an exceedingly positive vision of humanity’s future and has thereby convinced generations of men and women to contribute their capacities to the running of the wheel of commerce. Countries do their best to gather wealth by any means for their citizens, who are supposed to benefit in a variety of ways from the wealth produced by capitalism. Because these alluring possibilities sound eminently reasonable, it may be difficult for those who believe in capitalism to accept that wars were not only the quickest way to accumulate capital, but is often pursued for that very reason. However, this truth can be demonstrated solely by examining what has happened since the beginning of the twenty-first century. Here, at the end of the study, we examine the wars the US has conducted in the past two decades.

Since the events of 9/11 in 2001, the so-called wars of “anti-terrorism” have already cost the lives of millions. Moreover, thousands of people have been displaced in Afghanistan, Iraq, Yemen, Syria, Pakistan, Libya, and Somalia. It is no exaggeration to state, then, that every war in the past 20 years has been related to the US. The US has enjoyed American prosperity through much of this time, largely shared by those who are active in the stock market and the arsenal sectors, in contrast to the economic calamities borne by the citizens of so many other nations. This disparity underscores how war has been an important way of accumulating capital. American history has been relatively short, but launching an American war has almost become “normal.” This suggests that Anglo-Saxon people are rather bellicose. It makes little difference whether the nations they have established are called the UK or the US. For this ethnic group, war has been seen as an expedient way to accumulate capital. The Opium Wars are merely two examples among the many wars fought by the Anglo-Saxons as a means to enrich themselves. If pushed to find something unique about these two wars, then perhaps we can note: Even today, many well-read scholars are still trying to understand the reasons why Macartney supposedly should have kneeled before Emperor Qianlong. They have continued to regret

that emperors in the Qing stuck to their old traditions, unaware of how great the world beyond their borders had become.

In the 1850s, Marx, exiled in foggy London with his family, insightfully anticipated the overseas expansion of European capitalist nation-states. That is to say, he observed that the imperial states of the West often made use of wars as a plausible means to accumulate capital and national strength rapidly. It can be argued that Marx's insight blossomed out of a humanitarian concern about global inequality.

Notes

1. The word "mercantilism" is often interchangeably used with colonialism and imperialism, when describing Western countries' expansion, with little effort made to differentiate the terms. Some scholars use the three terms freely to explain the expansion of the Western powers (including Japan arguably) by means of land occupation, forced labor, and the exploitation of resources.
2. As a matter of fact, China's silver first outflowed to India and then to Great Britain. One point needs to be addressed here. That is: The Industrial Revolution could not have continued without India's role as a British trading partner, as India earned substantial amounts of silver from China and used it to purchase industrial goods from Britain, allowing the latter to accumulate the capital needed to re-invest after the 1780s. In this regard, India, rather than China, provided a huge market for commodities made in British factories, and thus it is no wonder that India was seen as the most valuable colony in the British Empire.
3. The factors in brackets, e.g., imports of foreign items, taxes, and so on, are what the author tries to reason from the context.
4. Three of the many scholars who have accepted this argument are Li (2010), Hsu (2014), and Wang (2013).
5. See Table 5–1, "Exports of Native Cloth, 1786–1936 (Annual Averages)" (Chao and Chen 1977, 104–105).
6. R. B. Wong is a typical example. In his masterpiece *China Transformed*, Wong reminds us of many similarities between China and Europe. By so doing, he tries to argue that in the nineteenth century, Europe started to walk its own unique path. Then, he places great emphasis on the Industrial Revolution to demonstrate how special Europe in general and England in particular are, when comparing the East and the West. Ironically, however, the subtitle of his great work is *Historical Change and the Limits of European Experience*. This means, on the one hand, that readers should be more cautious about Europe's purported success. On the other, he tries to show us that the European experience is indeed unique because the Industrial Revolution only happened in the West. From my perspective, these contradictory claims need further examination to understand the situation more fully. It should also be noted that this article disagrees with Wong's viewpoint that capitalism could have occurred only when an Industrial Revolution took place. See R. B. Wong (1997).
7. It appears that Zhao has faith in the so-called "free-trade" ideology. He condemns the fact that the British merchants "found the trade constraints under the Guangzhou system increasingly intolerable . . . [which] was against the principle of free trade." Zhao is, however, missing the mark. Although he does not espouse the cultural conflicts theory debunked earlier, he apparently misunderstands the true reason why the Opium Wars had to take place. As a matter of fact, advanced economies followed not the ideology of free trade, but protectionism instead. This is because

when a certain sector has not yet hit its stride and is less competitive, the government needs to protect the local industry. Opening the domestic market at such a moment to allow more robust foreign companies to enter into the market will certainly damage the development of the local industry. See Chang (2014).

Moreover, Zhao even believes that right after the Industrial Revolution “the British came to dominate world commerce by the late eighteenth century . . .” (Zhao 2015, 978). In my opinion, Britain arguably dominated the world only after earning silver back through the illegal and immoral trade of opium.

8. During the Second Opium War, opium became a legal commodity. However, this was not an element of the Treaty of Tianjin. In 1858, the Qing signed the Treaty of Trade and Tax Amendments [Tongshang shuize shanhou tiaoyue] with Britain and America respectively in Shanghai. Thereafter, opium became a legalized and taxable item.

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