

CHAPTER 6

GLOBALIZATION AND ECONOMICS

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IN 1848, Karl Marx and Friedrich Engels articulated the global character of capitalism with stunning clarity: “The need for a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere.”¹ As the drive for profit compelled entrepreneurs to seek markets in distant lands, new regions were continually integrated into the capitalist order. From the late eighteenth century to the early twentieth, Britain played a special role in this world system. Prior to the long nineteenth century, Dutch merchants had controlled financial networks, but their power waned as the Dutch government struggled for sovereignty. In the late eighteenth century, Britain established a new regime of power by seamlessly combining territorial and capitalist expansion. The tributes that Britain secured through its vast territorial holdings in the Indian subcontinent, Australia, Africa, and North America were invested in financial networks in Continental Europe as well as South America and the Middle East. Through the course of the nineteenth century, Britain became the centre of the world economy by attracting foreign surplus capital to London, exporting domestic capital via bankers and brokers for high returns, and developing a bustling entrepôt system in which shipping companies from various parts of the world utilized British ports.

With capitalist expansion came an increased awareness of wide-scale interconnection, often driven by the desire to invest lucratively. In and beyond Britain, individuals paid much attention to seemingly distant developments:

By the fourth quarter of the nineteenth century, world commodity prices were the central reality in the lives of millions of Continental peasants; the repercussions of the London money market were daily noted by businessmen all over the world; and

¹ Karl Marx and Friedrich Engels, *The Communist Manifesto* (New York: Oxford University Press, 2008), 6.

governments discussed plans for the future in light of the situation on world capital markets.²

Circulating swiftly and widely, news items alerted individuals to the ways in which developments in any one particular locale were dependent upon events taking place elsewhere. It was not always the drive for profit that motivated individuals to attend to what took place beyond the borders of the nation. Inheriting Enlightenment values, many Britons professed an ethical commitment to the well-being of people living in distant lands and debated which commercial practices would best serve the interests of nations around the world. Extensive webs of commercial and financial exchange not only provided the material structure in which the Victorians found themselves embedded, but also constituted a topic of private reflection and public debate.

Although the material fabric of everyday life was transformed by wealth derived from foreign markets, to be more fully cognizant of the global scope of economic transactions, individuals had to rely on representations. Alongside such financial signifiers as stock share certificates, literary narratives that portrayed overseas speculation, maritime travel, and colonial adventures, enabled Britons to grasp an economic system whose geographical scope exceeded the limits of their day-to-day experience. Drawing attention to the ways in which local experiences were embedded in wider social and economic frameworks, Victorian literature registered and cultivated an awareness of global formations, while at the same time questioning whether commercial and financial ties could suffice to forge meaningful interconnection.

What we might in retrospect call global consciousness in the nineteenth century flourished in part through the realist novel's well-known claim to chronicle provincial life. To be sure, by focusing on local customs and manners, Victorian novels could posit a British—or sometimes exclusively English—way of life. Recent literary criticism recognizes this pattern, but relates it to Britons' growing desire to understand their nation's destiny in terms of its relation to the rest of the world. As James Buzard argues in his revisionist account, realist fiction by Charles Dickens, George Eliot, Charlotte Brontë, and others asserted a national identity precisely because steady territorial and capitalist expansion turned Britishness into a cultural export, threatening to divest it of its presumed distinctness.³ The faster commodities and people moved across national borders, the stronger was the desire to reassess the significance of local and national attachments.

Epitomizing Victorian realism's focus on local community, George Eliot's *Middlemarch: A Study of Provincial Life* (1871–2) explores how provincial lives become integrated into larger frameworks, commercial, professional, and even philosophical. Residents of Middlemarch must turn their gaze to distant lands to manage their own affairs. When the Reform candidate Mr Brooke invites the electorate to 'look all

² Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 2001), 18.

³ James Buzard, *Disorienting Fiction: The Autoethnographic Work of Nineteenth-Century British Novels* (Princeton: Princeton University Press, 2005).

over the globe [. . .] “from China to Peru,” he parades his credentials: ‘I’ve been in the Levant, where some of your Middlemarch goods go—and then, again, in the Baltic.’⁴ The speech meets a mocking echo, accompanied by laughter from the crowd. As his reference to commerce falls flat, Mr Brooke fails to establish the worldly wisdom that he values so highly. More successful in this respect is the narrator, who relentlessly invites connections between the local and the global, for instance in Lydgate the physician’s credo that ‘a man’s mind must be continually expanding and shrinking between the whole human horizon and the horizon of an object glass’ (602). Just like Lydgate, who wishes to ‘do good small work for Middlemarch, and great work for the world,’ the narrator zooms in and out between the particular and the general, always positioning the human subject in extensive social webs (139). Foiling the narrator’s success in establishing interconnection, Mr Brooke’s failed campaign speech invites a critique of facile ties of commerce: however extensive commercial networks may be, they offer only an empty echo of the moral endeavour to connect the self to distant others.

Capitalism’s inability to inspire adequate global consciousness also surfaces in Charles Dickens’s *Dombey and Son* (1846–8), in which the eponymous merchant treats the world as if it were nothing more than a vast market: ‘The earth was made for Dombey and Son to trade in, and the sun and moon were made to give them light. Rivers and seas were formed to float their ships.’⁵ This piece of free indirect speech conjures up a totalizing vision that subsumes the entire universe under the profit-driven ego. The narcissistic tendency to render the world subservient to the self also surfaces in the history of Mrs Pipchin, the old lady in Brighton who keeps the boarding house where Mr Dombey sends his son. Her acquaintances discuss her husband’s death:

‘Her husband broke his heart in—how did you say her husband broke his heart, my dear? I forget the precise circumstances.’

‘In pumping water out of the Peruvian Mines,’ replied Miss Tox.

‘Not being a pumper himself, of course,’ said Mrs Chick (104)

It is speculative investment in the mines that leads to Mr Pipchin’s death, but ‘Miss Tox had spoken of him as if he had died at the handle’ (104). Miss Tox’s comment conflates the physical operation of the mines with the act of investing in them from a distance. As this conflation suggests, for the Pipchin family and their circle, the mine is not so much an actual entity in its own right as an abstraction that is easily reducible to its contribution to their own lives. Both present and absent in the text, the Peruvian mines cannot become concrete: ‘Mrs Pipchin’s husband having broken his heart of the Peruvian mines was good. It had a rich *sound*’ (104, emphasis mine). The world of commerce appears to cultivate self-absorption despite its vast geographical scope. Inviting

⁴ George Eliot, *Middlemarch* (New York: Oxford University Press, 1998), 474. All subsequent references are to this edition and appear parenthetically by page number.

⁵ Charles Dickens, *Dombey and Son* (New York: Oxford University Press, 2001), 2. All subsequent references are to this edition and appear parenthetically by page number.

an awareness of this paradox, the novel provides the critical global perspective that its narcissistic characters lack.

As Victorian literature weighed the significance of commercial interaction across distance, it considered the source of the nation's wealth, attended to acts of violence that made British economic prowess possible, and offered reassuring fantasies of equitable exchange. Had the nation become dependent on foreigners? Was national self-sufficiency possible or desirable? Could commerce generate equitable ties of mutual help? Literary works that raised and addressed these questions employed complex narrative strategies to represent extensive webs of economic activity whose vast scope eluded the individual desire to comprehend them. Violent acts that brought one region of the world into forced interdependence with another haunted these texts, inspiring fantasies of self-sufficiency or dreams of equitable commerce alongside critiques of domination. The following sections turn to actual practices of exchange and production (slavery, the opium trade, 'free' trade, high finance, and colonization) and explore literary forms and tropes (Gothicism, mythological imagery, the theme of speculation, and treasure-hunt plots) that disclose—or obscure—asymmetrical and forced economic relations involved in each practice. Before I begin to explore these connections, however, I will briefly discuss some challenges presented by the effort to historicize globalization.

HISTORICIZING GLOBALIZATION

One of the controversies surrounding globalization today is whether late capitalism, thriving on technologies and organizations peculiar to the twentieth and the twenty-first centuries, has introduced a definitive break with global formations of the past. In contemporary political theory, whereas David Held and Anthony McGrew argue that round-the-clock finance markets and transnational corporations in late capitalism have given rise to a state of interconnection qualitatively different from what former stages of capitalism had to offer, Paul Hirst and Graham Thompson contend that the world economy in late capitalism is a direct continuation of the international system established in the nineteenth century.⁶ As Anthony Giddens summarizes, for some scholars, 'continuities with the past are much greater than the differences', while others 'see a world breaking radically with the past.'⁷ Such cross-historical comparison is far beyond the scope of this essay, but what this controversy makes clear for us is that the endeavour

⁶ David Held and Anthony McGrew, 'Introduction,' in Held and McGrew eds., *The Global Transformations Reader: An Introduction to the Globalization Debate* (New York: Polity Press, 2000), 3–4, 24–5; Paul Hirst and Graham Thompson, *Globalization in Question: The International Economy and the Possibility of Governance* (New York: Polity, 2001), 2. See also Jan Aart Scholte, *Globalization: A Critical Introduction* (New York: St Martin's, 2000), 19, 20.

⁷ Anthony Giddens, *The Consequences of Modernity* (Stanford, Calif.: Stanford University Press, 1991), 3.

to historicize globalization must recognize the peculiarities of each epoch, examining materialities and ideologies that emerge and mutate in specific historical moments.

Even a cursory look at political economy, the discourse that sought to disclose the putatively universal laws governing the accumulation of wealth, would reveal that Victorian economic discourse, like its present-day counterparts, explored processes of globalization—although the term itself did not come into use until the 1960s. For example, in *Principles of Political Economy* (1848), John Stuart Mill discussed the migration of capital, highlighting that it was not only the exchange of goods but also production itself that could involve two or more nations. While he acknowledged that capital did not ‘remove to remote parts of the world as readily, and for as small an inducement, as it moves to another quarter of the same town,’ he also asserted that ‘to France, Germany, or Switzerland capital moves almost as readily as to the colonies.’ ‘The inducement of a very great extra profit’ could even motivate entrepreneurs to invest in ‘countries still barbarous, or, like Russia and Turkey, only beginning to be civilized.’⁸ Mill claimed that in addition to maximizing profit, the liquidity of capital transformed culture and affect: ‘capital is becoming more and more cosmopolitan; there is so much greater similarity of manners and institutions than formerly, and so much less alienation of feeling, among the more civilized countries’ (507). Even though circuits of production and consumption expanded through violent acts of conquest and subjugation, Mill, like many of his contemporaries, remained optimistic about both the nature of such expansion and the cognitive and cultural shifts that it would inspire.

With processes of production and exchange cutting across national borders in the past as they do in the present, how can we address transformations in capitalist formations across centuries? World system theory, which maintains that global capitalism consists of consecutive cycles of accumulation, offers one model capable of accommodating change and continuity at once. Focusing on continual restructuring, Immanuel Wallerstein and Giovanni Arrighi argue that Dutch, British, and American powers each established their own hegemony by restructuring the world economy.⁹ While the Dutch hegemony in the long seventeenth century rested on establishing control over worldwide financial networks, Britain in the long nineteenth century introduced a territorialist approach, whereby the acquisition and governance of colonies provided funds for *haute finance*—the bustling system of banking, credit, and investment in Europe. Subsequently, the American regime of power—already in decline in the second half of the twentieth century—produced transnational corporations that resist state authority.¹⁰ World system theory on its own does not illuminate cultural developments that

⁸ John Stuart Mill, *Principles of Political Economy* (New York: Prometheus Books, 2004), 537. All subsequent references are to this edition and appear parenthetically by page number.

⁹ Immanuel Wallerstein, ‘Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis,’ in Wallerstein, *The Capitalist World-Economy* (Cambridge: Cambridge University Press, 1997), 1–36; Giovanni Arrighi, *The Long Twentieth Century: Money, Power, and the Origins of Our Times* (New York: Verso, 2010), 1–14.

¹⁰ Arrighi, *The Long Twentieth Century*, 37–85.

accompanied capitalist expansion, but it does reveal the crucial role that historicist perspectives need to play in discussions of globalization.

Victorian studies, a field whose very name announces a historical framework, highlights material and ideological contingencies in its approach to global formations. What scholarship on nineteenth-century contact zones and border-crossings must negotiate is in part the vexed relation between the nation state and capitalism. Historically, the two were mutually enabling: the nation state guaranteed private property rights and facilitated the accumulation of capital, securing its own existence in doing so. However, the power of the nation state arguably declined in the twentieth century, as transnational corporations and non-governmental organizations became increasingly influential.¹¹ Whatever the eventual fate of the nation state may be—many scholars argue convincingly that its presumed decline is nothing but a myth—it was a ruling power on the world stage in the nineteenth century, and its sovereignty overlapped with, and even warranted, transnational exchange.¹² In referring to the transnational, I aim to indicate the presence of alliances and networks that cannot be contained within the bounds of individual nation states, but do not imply a political or ideological move beyond nationhood.

To address the complex ways in which nationhood and the transnational were inter-related, Lauren Goodlad and Julia Wright choose to employ ‘internationalism’, which ‘describes any outlook, or practice, that tends to transcend the nation towards a wider community, of which nations continue to form the principal units’. Goodlad and Wright seek to acknowledge the nation state’s efficacy as a mode of political organization while at the same time treating it ‘as the product of transnational, translocal, regional, and post-colonial conditions of possibility’.¹³ As a critical paradigm, internationalism does not preclude powerful state apparatuses or national identity, but considers them in relation to material and ideological flows across national borders to suggest that the national and the transnational are mutually constitutive. As Goodlad and Wright point out, this use of ‘international’ revises the nineteenth-century connotations of the term and places them under critical scrutiny. If, for many Victorians, the international arena offered a venue for showcasing the nation’s presumed superiority in manufacturing and technology, current critical practices seek to offset that tendency by refusing to contain economic production and artistic invention within the borders of the nation state.

Cosmopolitanism, which has gained increasing prominence in Victorian studies after Amanda Anderson’s *Powers of Distance* (2001), similarly nods towards the mutually constitutive relation between the national and the global. At times, ‘cosmopolitan’ for

¹¹ Susan Strange, *The Retreat of the State: The Diffusion of Power in the World Economy* (Cambridge: Cambridge University Press, 1996).

¹² Hirst and Thompson, *Globalization in Question*, 256–80; Michael Mann, ‘Has Globalization Ended the Rise and Rise of the Nation-State?’, *Review of International Political Economy*, 4, no. 3 (1997), 472–96.

¹³ Perry Anderson, ‘Internationalism: A Breviary’, *New Left Review*, 14 (2002), 5–25, at 6; quoted by Lauren M. E. Goodlad and Julia M. Wright in ‘Introduction and Keywords’, *RaVon: Romanticism and Victorianism on the Net*, 48 (2007), 1–34, at 2 (part of a special issue on Victorian Internationalisms, ed. by Goodlad and Wright).

the Victorians signalled utopian loyalty to a worldwide community of human beings; at others, it signified spatial mobility and compression, as embodied in the city of London.¹⁴ Both of these senses conjured up ideologies of nationhood. Cosmopolitan sentiment made possible ‘profound reflection on how different forms of affiliation—to family, community, nation, and world—might best be practiced.’¹⁵ Cosmopolitan spaces such as the the Great Exhibition at the Crystal Palace were a matter of national pride, attesting to the prowess of the far-reaching empire that turned the capital city into a crossroads for the world. Agathocleous notes, ‘the Exhibition provided an occasion to celebrate not only London’s cosmopolitanism but that of the nation.’¹⁶

In addition to exposing complex relations among global, national, and local networks, cosmopolitanism undertakes the difficult task of relating material structures to individual affect. For Lauren Goodlad, the Victorians’ cosmopolitan ethos of care is inseparable from the geographically uneven development that they witnessed. Cosmopolitan subjects were aware of, and responded to, geopolitics. Further, it was narrative and other symbolic engagements of geopolitics that articulated, perhaps obliquely, a ‘redemptive cosmopolitan ethics’. For Goodlad, ‘geopolitical aesthetics’—the realm offering symbolic expressions of capitalist formations—is where we encounter both the wide-scale structure of capitalism and the subjective experience of it.¹⁷ Regenia Gagnier similarly maintains that Victorian cosmopolitanisms, however focused they might be on individuals’ inner worlds and their ethical goals, did not ignore material reality. By definition ‘concerned with the right relation of the self to the other’, cosmopolitan subjectivity emerged by recognizing and critiquing domination.¹⁸ Seeking to establish fair and symmetrical forms of interconnection, cosmopolitanism draws attention to existing ties between the self and the distant other, which capitalist ideology, for all its fetishization of global transactions, often obscures or undermines.

SLAVERY, THE OPIUM TRADE, AND GOTHIC SECRETS

When England’s overseas trade relations had a conspicuously exploitative character, the role they played in generating the nation’s wealth was nothing less than haunting. The

¹⁴ Tanya Agathocleous, *Urban Realism and the Cosmopolitan Imagination in the Nineteenth Century: Visible City, Invisible World* (New York: Cambridge University Press, 2011), 2–3.

¹⁵ Amanda Anderson, *The Powers of Distance: Cosmopolitanism and the Cultivation of Detachment* (Princeton: Princeton University Press, 2011), 119.

¹⁶ Agathocleous, *Urban Realism and the Cosmopolitan Imagination in the Nineteenth Century*, 37.

¹⁷ Lauren Goodlad, ‘Cosmopolitanism’s Actually Existing Beyond; Toward a Victorian Geopolitical Aesthetic’, *Victorian Literature and Culture*, 38 (2010), 399–411, at 407, 406 (part of *Editors’ Topic: Victorian Cosmopolitanisms*, ed. by Tanya Agathocleous and Jason R. Rudy).

¹⁸ Regenia Gagnier, *Individualism, Decadence, and Globalization: On the Relationship of Part to Whole, 1859–1920* (New York: Palgrave, 2010), 144.

very language that described colonial ties betrays the desire to suppress the benefits that Britain accrued through colonization. The word 'dependency', which from the seventeenth century onwards denoted 'a subordinate place or a territory, especially a country or province subject to the control of another', reflects the imperialist ideology according to which colonized territories depended on the metropole for commercial and technological advancement, as well as moral and intellectual guidance.¹⁹ What this term conceals—profits accrued in the metropole through exploitation—loomed large in the public conscience, surfacing not only in economic writing centring on national wealth, but also in fictional narratives that assessed moral character and social respectability.

The Abolition Act of 1833 outlawed slave labour in the West Indies, but profits accrued from slavery were of course already in circulation in the British Isles by that point. John Stuart Mill's *Principles of Political Economy* reveals the predicament of investing capital whose source remains unknown and may have originated from slave labour. Discussing accumulation, Mill first notes, 'In a rude and violent state of society it continually happens that the person who has capital is not the person who has saved it, but someone who [...] possessed himself of it by plunder' (92). Then he transitions into the case of slavery, signalling through the conjunction that he is now addressing a more advanced economy: 'And even in a state of things in which property was protected, the increase of capital has usually been, for a long time, mainly derived from privations [...] not voluntary. The actual producers have been slaves' (93). With moral weight, he writes of the 'slender humanity' of the masters, but his subsequent comments make slave labour disappear from the scene. Capital is continually 'used and destroyed' in the process of production and reproduced through the investment of newly acquired surplus. As a result, Mill claims, 'the greater part, in value, of the wealth existing in England has been produced by human hands within the last twelve months' (97). Even as the 'perpetual reproduction' of capital draws attention to the way in which capitalist processes unfold over time, it also marks a break between the past and the present, connoting cleansing, as if reinvestment wiped out the history of primitive accumulation (97).

As Mill's *Principles* suggests, in the Victorian period, the history of slavery in the West Indies prompted meditations on the hold of the past and the possibility of breaking it. Diachronic processes of capitalism—what Mill evokes by 'the perpetual reproduction of capital' and what world system theorists call cycles of crisis and restructuring—tend to remain elusive in everyday economic transactions. But the novel, a narrative form that typically traces the unfolding of events across time, was well poised to capture and foreground them. In particular, novels with Gothic elements, which characteristically hint at past acts of transgression that bear their mark on the present, provided fertile grounds for disclosing circuits of violence that underwrote national wealth.

Wilkie Collins's *Armadale* (1866), for example, employs Gothic conventions to represent the history of colonial plantations in the West Indies. In the convoluted plotline of this sensation novel, family secrets are imbricated in an economy based on slavery,

¹⁹ *Oxford English Dictionary*, <http://www.oed.com> [last accessed 25 August 2013].

in which the older generation was complicit. The young protagonist, Allan Armadale, shares his name with a man his age, whom he knows only as Ozias Midwinter. The shared name results from an intricate set of events that took place in the West Indies in the past. Armadale's and Midwinter's families are tied up with fortunes amassed from slave labour, which has brought some members of the families in conflict, motivating them to employ fraud and assume one another's name. Even though the young men have only limited awareness of this history, they seem to be under a curse that condemns them to repeat the acts of violence and replicate the feelings of hatred that gripped the older generation. The plot revolves around the question of whether the legacy of the past, inherited from a historical moment evidently tainted with moral failure, will exert its hold on the young men's lives. In an inspiring reading of the novel, Nathan Hensley points out that '*Armadale* chart[s] the contemporary global order from its genesis in the eighteenth-century traffic in slaves to its modern "free" phase.' The novel 'expunges the dark past that it outlines, sealing it in the past in order to welcome a modern contractual present'.²⁰ Even as the novel reveals the extent to which slavery haunted the British collective consciousness, it also reassures its audience of the possibility of leaving the past behind.

The Gothic trope of the family secret draws attention to the suppressed geopolitics of profit. Just as *Armadale* presents the colonial histories of Armadale's and Midwinter's families as a curse, Charlotte Brontë's *Jane Eyre* (1847) turns Rochester's ties to the West Indies into a haunting past that cannot be hidden. As Jane finds out, as the younger son in an aristocratic family, Rochester married the daughter of a West Indian planter for financial reasons. References to Rochester's Creole wife subtly but constantly hint at slavery, not only because her fortune is derived from slave labour, but also because she herself is figured as the racial other, embodying characteristics that were typically attributed to blacks in racist discourse. Her 'black and scarlet visage,' 'swelled black face,' and 'swelled and dark' lips racialize the threat that she poses to Rochester's happiness.²¹ Susan L. Meyer argues that the secret that Rochester keeps under lock and key involves the nation's complicity in slavery:

The story of Bertha, however finally unsympathetic to her as a human being, nonetheless does indict British colonialism in the West Indies and the 'stained' wealth that came from its oppressive rule. When Jane wonders, 'what crime . . . live[s] incarnate' in Rochester's luxurious mansion 'which can be neither expelled nor subdued by the owner,' the novel suggests that the black-visaged Bertha, imprisoned out of sight in a luxurious British mansion, does indeed 'incarnate' a historical crime.²²

²⁰ Nathan K. Hensley, 'Armadale and the Logic of Liberalism', *Victorian Studies*, 51, no. 4 (2009), 607–32, at 625.

²¹ Charlotte Brontë, *Jane Eyre* (New York: Oxford University Press, 2000), 310, 285, 284.

²² Susan L. Meyer, 'Colonialism and the Figurative Strategy of *Jane Eyre*', *Victorian Studies*, 33, no. 2 (1990), 247–68, at 255, 254.

When Brontë was composing *Jane Eyre*, British West Indian slaves had been fully emancipated. From the post-emancipation perspective, slavery belonged to the past, but was no less haunting for that reason. Capital may have a tendency to be 'used and destroyed' for reinvestment as Mill would have it, but in the world of the Gothic each of its incarnations leaves a trace.

Another Gothic novel that points towards exploitative transactions in faraway lands is Charles Dickens's *Little Dorrit* (1855–7), in which the protagonist, Arthur Clennam, returns to England in 1827 after trading in China for decades at the height of the infamous opium trade. The narrator is provocatively silent on the exact occupation of Arthur and his father in China.²³ Historically, British traders smuggled massive amounts of opium into China in the first few decades of the nineteenth century, succeeding in doing so despite all the measures that the Chinese government took to prevent it. Dickens was writing for an audience who would be familiar with the topic of Sino-British commerce, as the Second Opium War—an attempt to legalize the lucrative trade—broke out while he was working on the instalments. Even though the state sought to legalize the opium trade, the public sentiment widely condemned the mercantile desire to turn profits at the expense of moral and physical suffering in Chinese society. In *Little Dorrit*, Arthur's suspicious past—the narrator's failure to disclose it hints at unspeakable iniquities—casts doubt upon the respectability of the Clennam house, which stands as much for moral uprightness as commercial success.²⁴ A modern Gothic castle, the Clennam house with its stagnant atmosphere and deserted rooms turns into a ruin when it eventually burns down. Even though the collapse of the house is not connected to the Clennams' economic activities in China, it initiates the process of renewal that Mill's 'perpetual reproduction' of capital promises, rendering the past conveniently forgettable.

FREE TRADE AND MYTHS OF MUTUALITY

Precisely because capitalism requires the continual integration of new markets into the system, wealth in any one location becomes dependent on transactions that take place elsewhere. For Britain, this dynamic produced a peculiar mix of dependence and sovereignty: the nation needed to trade with foreigners to establish its status as the world's most powerful economic force. As merchants, financiers, and the state chose to enter transnational deals that they judged profitable, the nation's wealth came to rely on foreign resources and markets. The violent mechanisms of acquisition that haunted Britons prompted them to seek mutually beneficial transactions in the world market. For many

²³ Xu Wenying, 'The Opium Trade and *Little Dorrit*: A Case of Reading Silences', *Victorian Literature and Culture*, 25 (1997), 53–66.

²⁴ Ayşe Çelikkol, *Romances of Free Trade: British Literature, Laissez-Faire, and the Global Nineteenth Century* (New York: Oxford University Press, 2011), 125–8.

Victorian liberals, it was free trade that guaranteed the equitable treatment of people around the world.

The popular advocacy of free trade in the Victorian period owed much to political economic treatises published in the late eighteenth and early nineteenth centuries. Following Adam Smith, James Mill and David Ricardo condemned prohibitively high tariffs and duties on importation. They argued against the mercantilist principle that importation was detrimental to national wealth and insisted that the state should not interfere with foreign commerce. In the 1830s and especially in the 1840s, the Corn Laws, which virtually prohibited the importation of grain, became the target of free trade proponents, with the leaders of the national Anti-Corn Law League insisting that protective legislation served the landed interest at the expense of all the other classes. The Leaguers maintained that free trade would have prevented the Irish potato famine of 1845. After the repeal of the Corn Laws in 1846, free traders sought to repeal the Navigation Laws, which restricted foreign ships from trading in British waters.

For liberals of the mid-Victorian period, free trade was the perfect antidote to slavery and other 'aspects of the old Empire', including colonial monopolies like the East India Company.²⁵ Free trade entailed the right to choose between employers, buyers, sellers, or transporters; for this reason, its advocates championed the cause as the antithesis of forced labour on the one hand and trade monopolies on the other. They promised peace and harmony around the world; however, once free trade measures were implemented from the 1840s to the 1860s, the resulting system did not usher in the age of mutual-ity that its early advocates had anticipated. When Britain opened its domestic market to commodities from all over the world, 'British rulers created worldwide networks of dependence on, and allegiance to, the expansion of wealth and power of the United Kingdom.'²⁶ Precisely because Britons built railways and provided shipping services for the rest of the world, and other nations found in Britain a market for their natural resources and other goods, Britain single-handedly restructured the interstate system to suit its own needs and interests.

However inequitable the results of free trade turned out to be in the second half of the nineteenth century, from the 1810s to the 1840s liberal rhetoric emphasized the need for reciprocity between sovereign nations. Political economists presented free trade as a system of symmetrical dependence. 'All commerce is founded on a principle of reciprocity,' wrote J. R. McCulloch in the *Edinburgh Review*.²⁷ Innumerable defences of free trade treated the world economy as if it consisted of nothing more than the sum of individual acts of barter. France, for example, 'had the advantage in the gift of soil and climate' and Britain was 'superior in her manufactures and artificial productions'; hence, '[h]aving each its own distinct staple—having each that which the other wanted [. . .] they were like two great traders in different branches, [and] they might enter into a traffic which

²⁵ Frank Trentman, *Free Trade Nation: Commerce, Consumption, and Civil Society in Modern Britain* (New York: Oxford University Press, 2008), 165.

²⁶ Arrighi, *The Long Twentieth Century*, 56.

²⁷ John Ramsay McCulloch, 'Navigation Laws', *Edinburgh Review*, 38 (May 1823), 478–94, at 493.

would prove mutually and greatly beneficial'.²⁸ Boasting an ethics of symmetry, myths of barter obscured the processes of ruthless competition and lucrative financial intermediation that characterized the market economy.

While free traders praised mutual dependence by describing the global market economy as an expanded form of primitive barter, protectionists, who supported legal restrictions on importation, valued self-sufficiency. In the early nineteenth century, the conservative political economist William Spence defended the Corn Laws on the basis that Britain's 'riches, her greatness, and her power, are wholly derived from sources within herself, and are entirely and altogether independent of her trade'.²⁹ Such isolationist ideas persisted in the 1830s and 1840s. For example, for the novelist and entrepreneur John Galt, 'a reciprocal system, such as that of the free-tradists, was not feasible. In defense of the Navigation Laws, Galt wrote, 'I should [. . .] be glad to learn how our ships can be increased by permitting the ships of foreigners to come to our shores'.³⁰ Arguing that Britain should secure its monopoly in the shipping industry, Galt found that reciprocal relations would weaken the national economy. Protectionists' efforts, however, did not prevent the state from adopting free trade measures such as the repeal of the Corn Laws and, later, of the Navigation Laws.

Poets and fiction writers extended political economy's relatively secular treatment of free trade by offerings myths of barter and reciprocity that drew upon ancient Greek and Christian narratives. Ebenezer Elliott, who published a volume of poems to protest restrictions on the importation of grain, helped to establish this trend. His *Corn Law Rhymes* (1830) most directly highlighted the ways in which protectionist legislation impoverished rural and industrial labourers within Britain, but Elliott also offered a global perspective that ascribes religious significance to commercial interconnection between distant lands. Addressing God, the speaker of his radical hymn, 'Oh Lord, How Long', laments restrictions on international trade and pleads, 'Methinks, thy nation-wedding waves | Upbraid us as they flow'.³¹ Sanctioned by the marital metaphor, commercial bonds between nations appear timeless and natural, and any attempt to sever them seems to oppose God's will. Through a Christian lens, Elliott redeemed those circuits of dependence that protectionists deemed unpatriotic. He presented self-sufficiency as an illusion and maintained that international commerce served God, as well as the needy. This vision found fuller expression in the fiction of Harriet Martineau, which famously popularized principles of liberal economics. In 'Sowers, Not Reapers' (1834), 'The Loom and the Lugger' (1834), and *Dawn Island* (1846), Martineau embraced commerce with foreigners as congruent with the Christian call to love one's neighbours.³²

²⁸ John Ramsay McCulloch, 'A Free Trade Essential to the Welfare of Great Britain', *Edinburgh Review*, 32 (July 1819), 48–74, at 58.

²⁹ William Spence, *Britain Independent of Commerce* (London: W. Savage, 1808), 52.

³⁰ John Galt, 'The Free Trade Question', *Fraser's Magazine*, 6 (November 1832), 593–8, at 595.

³¹ Ebenezer Elliott, *The Splendid Village: The Corn Law Rhymes and Other Poems* (London: Benjamin Steill, 1833), 33, 34.

³² Çelikkol, *Romances of Free Trade*, 67–70.

The theme of mutual exchange also surfaced in R. H. Horne's epic poem *Orion* (1843), which relocated free trade principles to the world of ancient Greek gods and goddesses. Like Britons, Ithacans in *Orion* benefit 'by the skill | Of their artificers in iron and brass, | And by their herds of goats and cloud-woolled sheep.' Commerce assures the even distribution of goods around the world ('With other isles the Ithacans exchanged, | And each was well supplied'), with the eponymous protagonist, whose epitaphs are 'The Worker' and 'the Builder-up of things', eventually becoming immortal.³³ The sacredness of trade in *Orion* matches the embrace of exchange as a Christian value in Elliott's and Martineau's works. Ascribing an enchanting aura to a modern economic phenomenon, literary myths of free trade complemented liberal economic discourse's emphasis on mutual help.

HIGH FINANCE AND THE THEME OF SPECULATION

For the liberals of the 1830s and 1840s, international commercial competition, if unfettered by tariffs and duties, would herald the end of colonial monopolies in South East Asia and terminate slave labour in the New World; however, in the mid- and late-Victorian period Britain's commercial dealings with sovereign states—especially in South America and the Middle East—intersected with practices of conquest and subjection. Indeed, Britain invented a new regime of power precisely by combining territorial expansionism with laissez-faire in an unprecedented manner.³⁴ Wealth derived from the colonies fed into European circuits of banking and lending. For example, on the Indian subcontinent, Britain forcibly acquired labour power and natural resources along with direct payments. The state used part of these extractions to buttress the territorial empire, but imperial tribute was also 'siphoned off in one form or other to London, to be recycled through circuits of wealth through which British power in the Western world was continually reproduced and expanded'.³⁵ The colonies constituted a major source of the capital that Britain invested all over the world, in stock exchanges and the loan sector. In theory, territorialism (annexing new lands for the sake of geographical expansion) does not have to coincide with high finance (the investment of liquid capital in the money market), but in the nineteenth century the former came to sustain the latter.

Boosted by tributes secured through colonial governance, finance capitalism matured from the 1870s onwards. The world economy entered a phase in which capital 'sets itself free from its commodity form and accumulation proceeds through financial deals'.³⁶ To

³³ Richard H. Horne, *Orion: An Epic Poem* (London: J. Miller, 1843), I. ii. 5–6, 35–9.

³⁴ Ellen Meiksins Wood, *Empire of Capital* (New York: Verso, 2005), 73–4.

³⁵ Arrighi, *The Long Twentieth Century*, 55.

³⁶ Arrighi, *The Long Twentieth Century*, 6.

invest profit, capital-owners increasingly opted to keep part of their gains liquid, so as to channel it into the money market rather than trade or production. Much of surplus capital was not converted into new commodities. Institutions of high finance mediated between nation-based powers, placing them in balance with one another to secure the survival of the international system. 'Independent of single governments, even of the most powerful, [high finance] was in touch with it all; independent of the central banks, even of the Bank of England, it was closely connected with them,' writes Polanyi.³⁷

As territorial colonialism and high finance became mutually sustaining, new inter-regional connections burgeoned in the world economy. With colonial ports facilitating British merchants' dealings with China, the Ottoman Empire, and newly independent states in South America, webs of commercial dependence expanded swiftly around the world, giving rise to economic circuits that were made possible by, but not contained within, empires. The vastness and intricacy of economic circuits challenged the effort to represent them. From the subjective point of view, activities as material as production, distribution, and exchange could appear infinitely abstract. Like capitalism's expansive nature, its increasing reliance on high finance—processes of lending, banking, and the stock exchange—invited abstraction. As money became decoupled from the commodity form in this new stage of capitalism, economic investment seemed to have little to do with actual objects of exchange.

Anxieties produced by the elusiveness of high finance found ample expression in the Victorian novel, particularly in the theme of speculation. In Anthony Trollope's novels, the ubiquity of speculative investments indexes the capitalist tendency to build a world of abstraction. Portraying corrupt adventurers who float shares of fake business ventures, Trollope draws attention to the moral risks of financial intermediation. Consider, for example, the way Melmotte manipulates the public in *The Way We Live Now* (1874–5). He invests in a railway project that he knows will not materialize, for the purpose of benefiting from shares that will skyrocket once the British public judges the project lucrative. The 'scheme in question' concerns 'a South Central Pacific and Mexican Railway, which was to run from Salt Lake City, thus branching off from the San Francisco and Chicago line—and pass down through the fertile lands of New Mexico and Arizona, into the territory of the Mexican Republic'. As Melmotte's scheme reveals, the physical distance between the goods and the investors contributes to the public's failure to recognize fraud. Mr Fisker, the mastermind behind the scheme, is convinced that Melmotte can make a fortune 'before a spadeful of earth had been moved'.³⁸ However focused *The Way We Live Now* may be on a specific act of fraud, it discloses the logic of capitalism at large: not unlike the dishonest scheme in which Melmotte participates, even the most proper transactions in high finance do not attach themselves to material goods.

High finance relied extensively on representations, including paper money, stock shares, cheques, IOUs, and other paper documents comprised of textual and graphic

³⁷ Polanyi, *The Great Transformation*, 10.

³⁸ Anthony Trollope, *The Way We Live Now* (New York: Penguin, 1994), 67, 68. All subsequent references are to this edition and appear parenthetically by page number.

signifiers. In addition to standard certificates of debt or investment, rumours and advertisements were forms of representation that played important roles in the finance economy.³⁹ They shaped public opinion, which in turn influenced prices, regardless of their accuracy. In *The Way We Live Now*, Mr Fisker ‘display[s] his programme, his maps, and his pictures’ to recruit Mr Melmotte, who is not at all concerned with whether the text and the pictures have real-life referents (72). Investors in Britain could not directly witness construction in America, even if it existed; as a result, flashy pictures hold more authority in a global economy than they could in a local one. Historically, failed investments and fraudulent schemes gave rise to a widespread mistrust of representation. In her interdisciplinary study on credit, Mary Poovey argues that this situation put pressure on novelists to position their work as a legitimate kind of fiction fundamentally different from the kind involved in finance, which in turn gave rise to the generic differentiation between economic and literary writing that many readers tend to take for granted today.⁴⁰ If, in the finance economy, signifiers mattered more than the things they claimed to represent, realist novels such as Trollope’s exposed that pattern and offered a moral critique of it. As in *The Way We Live Now*, in *The Prime Minister* (1876) to aspire to wealth is to manipulate representations. The novel’s morally suspect Ferdinand Lopez declares that his ‘property consists of certain shares of cargoes of jute, Kauri gum, guano, and sulphur,’ speaking of paper certificates as if they were no different from land or material goods.⁴¹ For Lopez, the more abstract one’s property, the better: ‘What is the use of money you can see? How are you to make money by looking at it?’ (401). Melmotte and Lopez reveal the penchant for abstraction that was at the heart of finance capitalism. Both characters are marked as ethnic others, with abundant hints that they may have Jewish origins. ‘The figure of the Jew bears the burden of the ills of finance capitalism, even though that system was key to Britain’s economic prowess in the nineteenth century.

IMPERIAL EXPANSION AND THE TREASURE PLOT

The cross-fertilization of colonial conquest and finance capitalism turns into a plotline in the imperial romance, a genre that became highly popular in the late nineteenth

³⁹ Cannon Schmitt, ‘Rumor, Shares, and Novelistic Form: Joseph Conrad,’ in Nancy Henry and Cannon Schmitt eds., *Victorian Investments: New Perspectives on Finance and Culture* (Bloomington: Indiana University Press, 2009), 182–201, at 184; Nancy Henry, ‘“Rushing Into Eternity”: Suicide and Finance in Victorian Fiction,’ in Henry and Schmitt (eds.), *Victorian Investments*, 161–81, at 164.

⁴⁰ Mary Poovey, *Genres of the Credit Economy: Mediating Value in Eighteenth- and Nineteenth-Century Britain* (Chicago: University of Chicago Press, 2007), 25–42.

⁴¹ Anthony Trollope, *The Prime Minister* (New York: Penguin, 1994), 395. All subsequent references are to this edition and appear parenthetically by page number.

century. Imperial romances reflected Britain's accelerated overseas expansion in that era, which brought Rhodesia, Egypt, Cyprus, and many other parts of Africa and the Middle East under British control. Perhaps two of the best known works in this genre, Robert L. Stevenson's *Treasure Island* (1883) and H. Rider Haggard's *King Solomon's Mines* (1885), feature adventurous—but respectable—Englishmen who come into possession of diamonds or gold coins after strange and dangerous encounters abroad. In the metropole, the portable valuables that the Englishmen bring back are transfigured into money and other kinds of capital. In closure, the treasure plot converts precious metals and stones into abstract bearers of value, floating them free of the history of their acquisition in distant lands.

Neither *Treasure Island* nor *King Solomon's Mines* is set in a British colony; nonetheless, they both evoke territorial expansionism. In these novels, middle-class Britons self-righteously fight indigenous populations—or rivalling settlers—and establish control over the territories they visit. As Patrick Brantlinger notes, *King Solomon's Mines* 'does not even hint' that the lost civilization that the adventurers discover 'should become [...] part of the British Empire'.⁴² Nonetheless, when the Englishmen 'penetrate into the unknown' and facilitate a transition from tyranny to fair governance there, their rhetoric replicates colonizers' perception of their mission.⁴³ Similarly, the disciplined manner in which the protagonists secure their hold over the island in *Treasure Island* and their compassionate treatment of their enemies reflect those qualities that champions of colonization ascribed to colonial administrators.

If protagonists in the imperial romance operate within the value system of colonialism, then the diamonds and gold coins that they bring home stand in for profits derived from territorial expansion. In *King Solomon's Mines*, the Englishmen can invest the diamonds they acquire in Kukuanaaland only after the narrative formally announces its termination. Once the overseas adventure is over, 'here, at this point, I shall end my history,' announces the colonial hunter and trader Quatermain, explaining how he 'bid farewell to all who have accompanied me through the strangest trip' (290). After this narrative break, a letter from one of the other adventurers discloses that London dealers, upon seeing the diamonds, advise them to 'sell [by] degrees, for fear [they] should flood the market' (291). The African adventure is thus formally separated from the sale of the diamonds in London. The treasure that the adventurers claim as their own assumes a new life in the metropole, mimicking the channelling of colonial tributes into the world of high finance.

The gold coins that the team of Englishmen recovers in *Treasure Island* also evoke the investment of colonial tributes. The titular treasure is indeed no more the rightful property of the middle-class men who acquire it than it is of the pirates who buried it. Only a small boy, the protagonist accidentally comes into possession of a treasure map

⁴² Patrick Brantlinger, *Victorian Literature and Postcolonial Studies* (Edinburgh: Edinburgh University Press, 2010), 136.

⁴³ H. Rider Haggard, *King Solomon's Mines* (New York: Puffin, 1994). All subsequent references are to this edition and appear parenthetically by page number.

hidden in a pirate's chest. The magistrate and the squire to whom he shows it decide to set sail towards the island where the treasure is buried, taking the boy along with them. Once on the island, the team overcomes the pirates who have come to claim what their formidable captain once buried. The triumph of the middle-class team owes to their discipline and ability to strategize.⁴⁴ While the pirates' nature leans towards excess, middle-class adventurers 'use [the treasure] wisely': 'Captain Smollett is now retired from the sea. Gray not only saved his money, but, being suddenly smit with the desire to rise, also studied his profession; and he is now mate and part owner of a fine full-rigged ship.'⁴⁵ The 'wise' investment of riches not only enables the profits to multiply, but also retrospectively justifies the initial acquisition of the plundered coins. As in *King Solomon's Mines*, in *Treasure Island* the plot replicates in symbolic form what Mill describes as the perpetual rebirth of capital: the investment of precious stones and metals provides a clean slate, announcing a new phase in the protagonists' lives. Novelistic closure hermetically seals the imperial adventure, as if it were possible to separate colonial economics from its metropolitan exchange.

Romance adventures such as *King Solomon's Mines* and *Treasure Island* involve two competing processes, embedding and abstraction. The treasure plot embeds metropolitan wealth in wide-scale frameworks that include regions peripheral to capitalist development. But once the precious stones and metals from Africa and the Pacific islands arrive in the British Isles, they turn into abstract bearers of value that betray no trace of their origins. These two narrative strategies—embedding and abstraction—indeed characterize the literary engagement of global economic formations at large. Gothic novels, for example, tend to draw attention to past acts of violation lurking behind present riches, but they also signal the possibility of leaving that past behind. A similar ambiguity surfaces in the popular speculation plot. Financiers' blatant disregard for material production is the target of moral criticism, yet the narrative itself, consisting only of linguistic signifiers, can never effectively bridge the gap between the abstract and the material. Through the interplay of embedding and abstraction, the global consciousness inspired by Victorian literature revolves around its own tenuousness and questions the conditions of its own possibility.

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⁴⁴ Naomi J. Wood, 'Gold Standards and Silver Subversions: Treasure Island and the Romance of Money', *Children's Literature*, 26 (1998), 61–85.

⁴⁵ Robert Louis Stevenson, *Treasure Island* (New York: Penguin, 1999), 190.

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