
Introduction: A Great Turning Point

For Carl Schmitt and Joseph Schumpeter the issue was settled.1 The Peace Treaty of Utrecht was a decisive turning point in the nature of international order, constituting the first international expression and codification of Britain’s inexorable rise to European and, later, global pre-eminence. How was this to be explained? While neither focussed narrowly on the negotiation tactics of the plenipotentiaries and multilateral diplomacy, Schmitt grounded his argument in a geo-mythological register, invoking Britain’s insularity and 17th Century “turn towards the seas”. For him, the Peace of Utrecht connotes “the time when the European state system was consolidating. From then on, the war fleets of the maritime powers were capable of effectively controlling the seas. It was also then that England’s new domination of the world, based on the sea element, started to affirm itself.”2 And the decisive novum, Schmitt suggested, was Britain’s “amphibian” geopolitical position between the land and the seas, which predestined her to assume the role of the balancer of the European powers:

England thereby became the representative of the universal maritime sphere of a Eurocentric global order, the guardian of the other side of the ius publicum Europaeum, the sovereign of the balance of

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land and sea – of an equilibrium comprising the spatially ordered thinking of this international law. The English island remained a part or rather the center of this European planetary order, but simultaneously distanced herself from the European continent and assumed the world-historical, intermediary position that for more than three centuries made her ‘of Europe, but not in Europe’.3

Schumpeter, in his famous 1919 essay *The Sociology of Imperialism*, advanced a much richer explanation, this time sociological, which traced the divergent attitudes towards war between early modern European powers, notably France and Britain, to their respective social structures. Rather than pursuing an “arbitrary military absolutism” that “led to continual wars of aggression”, Schumpeter argued that the constitutional settlement of 1688, “the defeat of the king and his party represent so decisive a juncture for our subject (the subject being imperialism, B.T.), a break in continuity” that it “turned foreign policy into something altogether different from what it was on the Continent.”4 Henceforth, British foreign policy was bound to the people, public opinion and Parliament and pursued, driven by the Industrial Revolution, an essentially anti-imperialist foreign policy. And Schumpeter was not shy to spell out the secret behind this novel post-absolutist foreign policy orientation, which he explicitly grounded in the nature of capitalism:

Throughout the world of capitalism, and specifically among the elements formed by capitalism in modern social life, there has arisen a fundamental opposition to war, expansion, cabinet diplomacy, armaments, and socially entrenched professional armies. This opposition had its origins in the country that first turned capitalist – England – and arose coincidentally with that country’s capitalist development.5

Things were not so in pre-capitalist absolutist France. Here, according to Schumpeter, “the belligerence and war policy of the autocratic state are explained from the necessities of its social structure, from the inherited dispositions of its ruling class, rather than from the immediate advantages to be derived by conquests”. And he proceeded to ground this belligerent disposition in a class analysis of the relations between the French nobility and the monarchy, concluding that the king’s personal regime in foreign policy, including its whims and idiosyncrasies, “may have been no more than individual manifestations of a social situation, social data processed through an

individual temperament.” And this social situation was portrayed by Schumpeter in form of a pre-capitalist absolutist polity, structurally and objectively geared towards war.

*Nihil Novi Sub Sole? Utrecht in the Mirror of the Discipline of International Relations*

In the light of Schmitt’s more geopolitical or geo-elementary insistence on 1713 as a decisive turning point in the history of international relations and Schumpeter’s sociological analysis of post-1688 British foreign policy as discontinuous with continental absolutist practices, the conventional Anglo-American International Relations (IR) literature on the Peace Treaty of Utrecht appears curiously coy. Serious treatments of the standing of Utrecht in the wider development of the inter-state system are few and far between, and what there is in terms of literature does not share Schmitt’s and Schumpeter’s dramatic assessments. In fact, Utrecht seems to fall through the cracks between its much more illustrious predecessors and successors – Westphalia (1648) and Vienna (1815) respectively. Emblematically, the tercentenary of the Peace Accords seems to have been missed by the discipline of IR altogether.

Standard IR texts on the subject de-emphasise Utrecht’s radical innovations, as detailed below, and approach the issue, classically, from the point of view of abstract ordering principles for international relations on a spectrum from inter-state anarchy to hierarchy. Here, Utrecht is often regarded as a “replay of the Westphalian drama”, as the settlement represented *au fond* “a victory for the principle of anarchy against hegemonial designs”, but not “a victory for peace.” What had changed in the passage from Westphalia to Utrecht was not the institutionalisation of new peace principles and the growth of the *droit public de l’Europe* for the regulation of international politics, but merely the replacement of one settlement-directing power, France, by another, England. Both

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countries secured, in 1648 as in 1713, the constitution of Europe as a geopolitical pluriverse of independent polities against the threats of universal monarchy or empire, precariously stabilised by a ubiquitous balance of power. After Louis XIV’s expansionary conquests and the Spanish War of Succession, restoration rather than innovation was the ordre du jour in line with basic (Neo-)Realist reasoning. Within Neo-Realist IR theory, the entire episode is reduced to a confirmation of the “scientific” supra-historical generalisation of automatic power-balancing – in this case against French hegemony - causally derived from the systemic pressures of inter-state anarchy and the generic axioms of “self-help” and “power politics.”  

Neo-Realism reduces alterations in international systems to the changing, but unaccounted for, material distributions of power among the systems-constituting actors and remains thus restricted in its explanatory intent to grasping the changing polarities across multi-polar international orders. These re-equilibrate more geometrico by the invisible hand of the balance of power, whether consciously inscribed in treaties or not.  

Systems operate like clockwork. Utrecht re-exemplifies a timeless logic.

More recently, these thin conceptions of recurrence and repetition in anarchical inter-state orders have been challenged within IR – both from English School and Constructivist perspectives. Andreas Osiander’s study emphasises the construction of shared norms at Utrecht as preconditions for international stability, visible in a “consensus agenda” and “consensus principles” that characterise the structure of any international order. The reconstruction of the shared self-understandings among key international actors for order and stability in Europe leads Osiander to identify the principles of equality, autonomy, security, and the balance of power as the new Utrecht international consensus agenda. Here, the Settlement is regarded as a stepping-stone in the gradual

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construction of those international norms that enabled the consolidation of an “international society” – anarchic, but not anomic. Similarly, Paul W. Schroeder pursues this constructivist theme on the sources of systemic change in international relations. “Change in the international system involves above all changes in the reigning assumptions, dominant understandings and conceptions, and collective mentalities of political leaders.” By emphasising the political cultures that define historically specific contexts whose norms govern the purposive conduct, rather than mere behaviour, of policy-makers, Schroeder concludes that “systems change when the reigning ideas about the system change fundamentally and durably.”11

Pursuing this constructivist theme, Christian Reus-Smit, in turn suggests that historically varying “fundamental institutions” provide the framework for understanding the historicity of international co-operation and conflict in international societies. These elementary institutions derive from “intersubjective beliefs about legitimate statehood and rightful state action”, which are referred to as “constitutive meta-values that comprise the normative foundations of international society.”12 Hegemonic beliefs about the moral purpose of the state are regarded as the central meta-values, which justify respective forms of rule and procedural justice, which inform state actions. By moving the ideological self-legitimations of diverse forms of sovereignty center-stage, early modern Europe’s meta-value of divine right, bound only by natural and divine law, is regarded the cornerstone of early modern international politics.13 As divine right implied the preservation of a divinely ordained and rigidly hierarchical social order, procedural law was authoritative, rather than deliberative, conceiving of law as command to define rightful social conduct. This disabled any notion of sovereign equality, undermined the development of contractual and positive international

13 Similarly, Ian Clark also reads Utrecht in terms of a re-affirmation of the legitimacy of dynastic states as the rightful members of international society, whose standing was only modified through some constraints imposed on succession rights. Ian Clark, Legitimacy in International Society (Oxford: Oxford University Press, 2005), 71-84.
law and inhibited extensive multilateralism. Sovereign inequality, old diplomacy - referred to as "incidental, bilateral, secretive, and hierarchical" - and naturalist international law constituted the fundamental institutions of absolutist international practices. Consequently, Utrecht remained overwhelmingly tied to these Old Regime meta-values, as the obligation to accept the Settlement did not derive from a contract between juridically equal states, but from the will of God. While the principle of divine right remained un-reformed at Utrecht, the circumscription of succession means that it was no longer a legitimate basis for the geographical accumulation of power and authority. Secret diplomacy and the bilateral nature of the separate peace treaties that composed the Treaty of Utrecht aborted any general move towards multilateralism, contractualism, or even an institutionalised Congress system. Utrecht remained a decidedly pre-modern event with its own generative grammar.

Inspired by a combination of English School reasoning and Neo-Weberian accounts of the military origins of states, Philip Bobbitt pursues these more dynamic and evolutionary perspectives by situating Utrecht within a grand five-century long trajectory of the mutual co-development between strategic-military innovations, epochal wars, and subsequent constitutional changes in political communities. Building on the widely-held, if techno-determinist, view among early modern historians that revolutions in military affairs engendered isomorphic processes of state formation due to the need for more efficient institutional mechanisms of revenue procurement, centralised taxation, and administration to finance ever-more costly military apparatuses, Bobbitt suggests that constitutional legitimacy - state legitimacy – is an idea sensitive to strategic events. Success or defeat in epochal wars leads to successive rounds of "profound changes in the constitutional order of states through a process of innovation and mimicry as some states are compelled to innovate, strategically and constitutionally, in order to survive, and as other states copy these innovations when they prove decisive in resolving the epochal conflicts of an era."

14 Reus-Smit, Moral Purpose of the State, 107.
International law is here less conceived as a supra-state construction, but seen as referring to the practices of the society of states, arising from constitutional law. Epochal wars, driven by strategic-technical innovations, reconfigure the constitutional basis of the society of states so that comprehensive peace settlements codify a new international law regime, largely based on the constitutional principles of the victorious power(s). This establishes the new legal-institutional matrix for the resumption of international politics and war in a qualitatively altered society of states. For Bobbitt, the key international legal innovations agreed at Utrecht revolve around the transition from a society of kingly states to a society of territorial states, the acceptance of the balance-of-power as a “constitutional structure for collective security”, and the renunciation of the principle of territorial aggrandizement. In sum, the new society of territorial states implied “the downgrading of the dynastic principle; the willingness to subordinate the rights of sovereigns to the interests of the states involved; and the use of collective security guarantees to ensure the balance of power itself.”

These perspectives provide correctives to the bare (Neo-)Realist assumptions of essentialised logics of international relations that hold independently of time and space. Still, they tend to omit a sense of the socially-constituted and dissimilar political purposes between the peace parties and their power-asymmetries. The analytical evacuation of the differential socio-political constituencies of the signatories from the explanatory remit of English School and Constructivist theories implies that questions of political legitimacy and strategic-military superiority remain decoupled from their socially constructed and contested nature. By extension, diplomatic processes in the development of collective norms are not re-anchored in the very diverse socio-political foreign policy purposes and power-resources of the contracting participants. Fundamentally, they fail to answer the question why ideas and norms change by analytically divorcing these changes from questions of power and interests – in particular the power that Britain deployed to enforce its specific peace plan on the co-signatories. Here, the focus on shared assumptions gathered from the

16 Bobbitt, *Shield of Achilles*, 525.
correspondences and memoirs of the plenipotentiaries, politicians and advisors restricts the analytical grasp to the isomorphic self-understandings of political elites and abstracts from the qualitatively dissimilar socio-political constituencies they had to serve and whose interest they purposefully articulated in a diplomatic field of negotiation. Furthermore, the attempt to historicise and specify the link between law and strategy – domestic and international - fails to capture the social sources in the construction of the specific British constitutional order, which led to a radically new set of institutions in British foreign policy making, a very distinct grand strategy towards the Settlement, and a series of rather unique empirical outcomes that contradict Bobbitt’s conclusions.

In sum, extant IR accounts are under-socialised and not sufficiently grounded in a synchronic comparative perspective of the peace parties’ diverging socio-political trajectories and power resources, which came to be internationally deployed, multilaterally negotiated and settled in very specific ways.

It is surprising, then, how the older non-IR literatures diverge from the more contemporary IR texts. Schmitt’s and Schumpeter’s emphasis on Utrecht as a turning point, revolving around the exceptionality of Britain, contrasts sharply with the conventional Realist perspective on 1713 as yet another instantiation of the timeless drama of the recurrence of power politics. The classical authors also break with ideas of a collective and system-wide normative-legal gradualism, premised on ‘Old Regime’ state legitimacy and shared values, in the construction of and accession to a consensual “international society”. And while the more contemporary IR texts – English School and Constructivist - pinpoint some Utrecht innovations in the key principles of international law and order, they fail to sufficiently lay bare the settlement-directing authorship of Britain and its specific socio-political and geopolitical project, which clarifies Utrecht’s historical significance in the early 18th Century context. This failure, it will be argued, is ultimately grounded in the analytical suppression of the dissimilar socio-political constituencies of the peace parties – notably Britain’s – their considerable power-asymmetries, and their diverging foreign policy orientations that came to be multilaterally settled in sui generis ways. These remain essential for understanding the nature,
distinctiveness, and purpose of the Utrecht Peace Accords.

A Historical Sociology of the International Politics of the Peace Treaty

This chapter suggests that mainstream IR Theory - (Neo-)Realism, the English School, Constructivism – fails to capture the qualitative novelty in the management of international affairs agreed at Utrecht. These readings underplay the specificity of the socio-political and geopolitical position of post-1688 England in the nascent interstate system, the uniqueness of its institutional basis for foreign policy formation, and the innovative character of its foreign policy towards Europe and beyond that informed its distinct peace plan. It argues that the Utrecht Settlement and the series of smaller successor settlements - Treaties of Rastatt (1714), Baden (1714), Madrid (1715), and The Hague (1720) - that concluded the War of the Spanish Succession (1701-1714) re-shaped the geopolitics of Europe’s “long 18th Century“ (1688-1815) decisively and with lasting consequences. Overall, they codified Britain's ascendancy and uniqueness as a capitalist and system-directing great power whose newly articulated grand strategy – the blue-water strategy - re-configured European international relations and political geography in novel ways. Utrecht, much more so than Westphalia, signals the beginning of a qualitative shift in the nature of European interstate relations – for reasons akin to but also different from Schumpeter’s – without inaugurating a pan-European transformation of the dynastic principle of early modern geopolitical order.

The following re-interpretation is situated within the framework of a historical sociology of international relations that incorporates and privileges international politics. Yet, extant attempts to theorise international relations through the recovery of the differential domestic composition of social and authority relations of polities that constitute international orders ultimately tend to relapse into functional explanations of international politics that suppress the efficacy of foreign
policy making and multilateral diplomatic agency. This raises an acute analytical question for IR theory. What theoretical adjustments are necessary to incorporate foreign policy making into structural theories of IR or International Historical Sociology that either externalise foreign policy from the remit of explanation or reduce it to functions of wider structural or systemic properties? How should International Historical Sociology be re-adjusted to escape the functionalist-structuralist trap for purposes of framing our object of study – a specific event? This chapter adopts a radical historicist approach to capture and valorise the efficacy of foreign policy, diplomacy and international politics in the construction of the early modern international order. Rather than deducing strategies and decisions from a series of antecedent causes, whether domestic, international or both, this shifts the explanatory burden away from external imperatives and antecedent causes to the creative responses developed by agents to such contextual pressures, the inter-subjectively contested and negotiated resolution of these multiple agentic strategies, and their intended and unintended consequences. Deploying a historicist framework of analysis that centers contextualised agency requires a trade-off between generalising, nomological, and reifying theories that operate at levels of abstraction that abandon the concreteness of international politics while subsuming history under pre-conceived concepts, and retrieving and activating the situated consciousness and decisions of contextualised agents to account for historical specificity. Failing that, decisions are not taken by foreign policy agents, but reduced to outcomes of antecedent pressures.

This re-sociologisation of the Peace Treaties seeks to understand how fundamental socio-political and constitutional change in the Settlement’s directing power, Britain, enabled the creative formulation of a new grand strategy, which was militarily tested in the War of the Spanish

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Succession and diplomatically enacted at Utrecht. This requires, in a first step, a theoretical re-orientation away from the restrictive fixation on the exclusive spheres of diplomacy, high politics and international law towards the specification of variations in the domestic social relations of sovereignty amongst the signatories, ultimately grounded in regionally differential social property and authority relations. These, in turn, emerged from spatio-temporally specific long-term resolutions of socio-political struggles in the respective trajectories of state-formation, which we will exemplify in relation to early modern Britain and France. Once these elementary differences in state sovereignty are established, we identify, in a second step, the different institutional contexts for foreign policy formation in both countries: the parliamentarisation of foreign policy in post-1688 England/Great Britain, and the persistence of royal-executive foreign policy making in Old Regime France. This allows us, in a third step, to re-embed statecraft, foreign policy, and diplomacy in dense institutional contexts and conceive them as situated inter-subjective practices, which innovate policies in non-derivative ways. This procedure requires that we abandon, à la Schumpeter, a generic understanding of capitalism – or any other macro-sociological category - as a purely theoretical concept from which foreign policy can be logically and abstractly deduced, and reconceive it as a historical process category: as a contested social relation, whose international “effects” cannot be logically extrapolated, but require radical contextualisation and historicisation.

This re-invites political and diplomatic history for capitalist pressures are never translated one-to-

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18 Mindful of the developing semantics of these concepts in the 18th Century, I conceive of diplomacy as the non-coercive resolution of international conflicts, and define grand strategy as the articulation of essential long-term security interests and objectives that are coercively and non-coercively pursued through the co-ordination of multiple policy areas. According to Hamish Scott, “by the closing years of the eighteenth century the word ‘diplomacy’ had assumed its more familiar sense, that of the peaceful and continuous management of relations between states.” Hamish Scott, “Diplomatic Culture in Old Regime Europe”, in Cultures of Power in Europe during the Long Eighteenth Century, ed. Hamish Scott and Brendan Simms (Cambridge: Cambridge University Press, 2007), 58-59. Equally, Brendan Simms suggests that the term strategy was a “nineteenth-century borrowing from the French”. Brendan Simms, “‘Ministers of Europe’: British Strategic Culture, 1714-1760”, in Cultures of Power in Europe, 113.

one or functionally into a determinate foreign policy, but are domestically articulated and become inter-subjectively constructed as international relations in wider geopolitical contexts. Diplomatic history can neither be detached from, nor causally reduced to, the specific socio-political trajectories and divergent constitutional forms of the Settlement’s constitutive powers. It is the efficacy of specific agents that explains specific outcomes. While these outcomes are retrospectively intelligible, other courses of action – a full-scale “European commitment” or “isolationist navalism” - remained a distinct possibility. The emphasis on contextualised and relational agency rejects thus deterministic modes of reasoning. These contexts are however not exhausted by the shared norms and self-understandings captured by the concept of political cultures and normative meta-values.

What were these outcomes? Utrecht, I suggest, did not simply register a shift in the identity of the key peace-determining power – from France to England, both subscribing to the management of an otherwise static international anarchy – but expressed the first institutionalisation of a novel and dynamic approach to the management of European and international order executed by the first capitalist-parliamentarian state, post-1688/1707 Britain. This rested on a revolution in foreign affairs precipitated by post-revolutionary England and was encapsulated in the transition from dynasticism towards the co-articulation of foreign policy by Parliament. The new institutional basis of foreign policy making meant that “social interests” came to influence public policy, including foreign policy formation. This generated a commitment, however contested between Whigs and Tories, towards the blue-water strategy – a concept developed by Daniel Baugh.20 While the concept is widely discussed and used in the historiographical literature, it is absent in the IR

This grand strategy envisaged the “rationalisation”, i.e. the de-ideologisation, the de-confessionalisation and de-territorialisation of British ambitions on the Continent, the invention and active manipulation of the balance of power, and the pursuit of oceanic commercial hegemony, premised on the new principle of the “national interest”. These new principles rested on a sober calculus of the secular interests of the “political nation”, as opposed to the whims and imponderabilia of dynastic interests. Utrecht manifested the first international institutionalisation of British blue-water strategy.

To recap: early 18th Century British foreign policy designs cannot be captured with pre-conceived IR concepts. It is misleading to conceive of 1713 as a further instantiation of the automatic workings of the systemic logic of anti-French power balancing that re-equilibrated a temporarily uni-polar international order through collective multi-lateral action. Blue-water policy was not identical with the notion of hegemony, defined in Realist Hegemonic Stability Theory terms as providing public goods, along with rules and norms, for the stabilisation and operation of the states-system as a whole. The British-led Settlement was neither simply a further entrenchment of international anarchy in a geopolitical pluriverse, nor does it suffice to speak of the normative acceptance of an international consensus agenda agreed by and collectively beneficial to all peace parties that constituted “international society”. British grand strategy is also not to be confused with the Neo-Gramscian or world-systems notion of hegemony, defined as providing leadership of the system of states by articulating and enforcing rules for inter-state conflict and co-

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operation and by actively universalising the specific state/society complex of the hegemon. There is no evidence to suggest that post-1713 British foreign policy actively projected Britain’s specific capitalist-parliamentarian social and constitutional relations across the rest of Europe, either through the force of example or mimicry, or by means of the power of persuasion and the offering of concessions to subaltern states through their consensual involvement in international institutions, or more directly through regime-changing military interventions. There is also little evidence to substantiate Bobbitt’s claim that the loosing peace parties started to innovate strategically and constitutionally to emulate Britain’s victorious legal-political-military complex, as the rigidities associated with institutionally entrenched path-dependencies in various polities rendered the very few reform attempts – militarily or constitutionally – prone to failure.

The British peace plan constitutes a sui generis phenomenon. British grand strategy, the blue-water strategy, had a much more specific dual sense: defensive and concerned with security interests versus the Continent and offensive and concerned with commercial interests overseas. It secured Britain’s three main strategic objectives: the prevention of invasion by maintaining naval control of the Channel, the development of overseas trade and colonies, and the prevention of the rise of a continental hegemon, or an anti-British European alliance. “All were interrelated and all were present in the thinking of the Elizabethans, but they did not coalesce into a workable strategic system until the War of the Spanish Succession.” Blue water represented the first conscious attempt to develop a secular and comprehensive strategy for rationalising geopolitical and geo-economic space in line with the British “national interest”, even if Britain never intended or was capable to conclusively “settle” the international affairs of Europe and its overseas colonies. But this innovation was deeply rooted in the British revolution in foreign affairs, the constitutional settlement of 1688, and the prior reorganisation of British political and social relations as a result of the rise of agrarian capitalism in the countryside. We retrace the relations between these aspects in

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The Spanish War of Succession and the British Peace Plan: Institutionalising Blue-Water Policy

In principle, it makes good sense to start an analysis of international peace accords with a review of how the military outcomes of the preceding conflict affected the post-bellum bargaining positions of the contracting peace parties. In a second step, we could proceed towards a reading of the settlement’s material provisions understood as the more nuanced and determinate diplomatic results of the peace negotiations at the intersection of the articulation and accommodation of the competing foreign policy orientations and interests of its participants. This general approach should also *prima facie* and intuitively apply to the case of Utrecht, whose post-war parties comprised, *inter alia*, capitalist-parliamentarian Britain, the mercantile Dutch Republic, and the French, Spanish and Austrian Old Regimes. The following interpretation, partly for reasons of space, but more importantly for substantive reasons, adapts this generic interpretative template to the historically specific character of the Utrecht situation to better frame the object of analysis.  

For while the Utrecht Accords were formally the result of inter-polity negotiations, the exclusive focus on official Congress diplomacy overplays the power symmetries between the peace parties, neglects the decisive pre-Utrecht Anglo-French politics of secret diplomacy, which diminished the significance of the negotiations *in situ*, and downgrades the overriding role played by Britain in the Settlement’s design and implementation. This is not to argue for an exclusively “internalist” or “intra-state” explanation of the peace agreement, but to properly weigh and calibrate the Utrecht context *realiter* within the power-politically asymmetric post-war constellation of “inter-national” politics, singularly orchestrated by Britain.

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25 The analysis of the Dutch, Austrian, and Spanish cases cannot be covered in this chapter.
For it is widely noticed in the literature that only the British had, in effect, an actual peace plan, masterminded by Foreign Minister Viscount Bolingbroke.\textsuperscript{26} This formed the blue-print for a wider settlement that went beyond the short-term accommodation of the conflicting narrow, selfish, and \textit{ad hoc} individual interests – “old diplomacy” - of the diverse peace parties by providing a draft nominally designed in the “public interest” of Europe as a whole. Nevertheless, even though the Bolingbroke Plan was wider in scope and ambitions than the peace aims of the co-signatories, its provisions never amounted to a comprehensive multilateral settlement, nor did they advocate a peace system or even a system of collective security. Technically, the term “Utrecht” refers to a cluster of eleven bilateral treaties that were concluded between 1713 and 1715, comprising also the Treaties of Rastatt (1714), Baden (1714), and Madrid (1715), stretching possibly to the Treaty of The Hague (1720). This geographical and chronological pattern indicated the fragmented nature of the peace process and the often un-coordinated, mainly bilateral, negotiations, which were also occasionally interrupted by the resumption of hostilities. In this context, how did the British succeed in dominating the peace agenda? And how did the conclusion of the War of Spanish Succession pre-figure British diplomatic success? The \textit{casus belli} for England’s entry into the war – a classic example of Old Regime Wars occasioned by the death in 1700 of the childless King Charles II of Spain – derived from the complex inheritance claims to the Spanish dominions that were contested by Louis XIV of France and the Austrian Emperor Leopold I. The take-over of Spain by either the Bourbons or the Habsburgs augured the possibility of “universal monarchy”. As the French invaded the Spanish Netherlands in 1701, Marlborough concluded in September 1701 the Treaty of the Grand Alliance


War was declared by the Grand Alliance in May 1702.

As the fortunes of war swung decisively after the battle of Höchstädt (“Blenheim”) (1704) in the direction of the anti-French Grand Alliance and as the French repeatedly sued for peace at The Hague (1709) and, again, at Geertruidenberg (1710), the 1710 British parliamentary elections brought the Tories to power. The incoming Tory Government undermined and recalibrated the Alliance’s war aims by switching from the objective of French defeat and partition to the more prudent idea of preventing the rise of any continental hegemon. The spectre of a renewed reunion of the Habsburg lands under the new Emperor Charles VI, combining Austria and Spain, came to replace the spectre of the union of the Bourbon lands, combining Spain and France. In this altered context, Britain defected from the anti-French alliance, originally established in the League of Augsburg (1686), renewed in the Grand Alliance (1701), and now comprising also Savoy, Portugal, Prussia and most of the German principalities with the notable exception of Wittelsbach Bavaria. Britain entered into secret diplomacy with the French. Without the consultation of Britain’s wartime allies, a plan was hammered out bilaterally between Bolingbroke and the French foreign minister Torcy in the London Preliminaries (1711). This joint Anglo-French preliminary peace plan was presented at Utrecht in 1712. The overriding rationale of the plan was to ensure that France, much to the dismay of the Dutch and the Habsburgs, would be re-admitted as a full, if diminished, member into the Settlement as the exclusion of the Bourbon monarchy from the field of international politics would have generated a power vacuum that Austria would have amply filled. Militarily weakened, as Britain withdrew from military action during the course of 1712, strategically out-flanked and diplomatically out-maneuvred, the Dutch, the Emperor, and the Spanish had to accede as junior partners to the table. A militarily and financially exhausted France

accepted the more lenient terms of the British over the more Carthaginian ambitions of the Dutch and the Empire. The Peace Treaty of Utrecht largely ratified the essentials of Bolingbroke’s preliminary peace plan. Utrecht’s “material results were already agreed upon by secret diplomacy before the congress.”

How was British blue-water policy converted into the terms of the Treaty? Overall, blue-water policy divided into a geopolitical and a geo-economic aspect, the first geared towards the Continent, the second geared towards overseas. Geopolitically, it implied a policy of “rationalising” political geography through the redistribution of power in terms of territoriality, the prevailing currency of power in pre-capitalist polities – trimming the size of France, rather than pressing for its partition, blocking the personal unions between Spain and France and between Spain and Austria, creating a buffer zone in the newly-created Austrian Netherlands against French expansion, while curtailing the size of the Dutch Republic, making territorial adjustments to the Habsburg Empire in the Mediterranean, and safeguarding the independence of smaller powers like Portugal, Prussia, the Dutch Republic, Savoy, and various German and Italian polities. The British gains looked *prima facie* innocuous, reduced to securing political control over strategically important naval bases in the Mediterranean (Gibraltar and Minorca), the destruction of the French naval base at Dunkirk, the acquisition of a few formerly French possessions in Canada (Hudson Bay, Nova Scotia and Newfoundland) and in the West Indies, and the transfer of the *asiento* from Spain – the monopoly of the slave trade with the Spanish colonies – to the British South Sea Company.

This redistribution of space established the presupposition for the principle of the balance of power, designed to guarantee the post-Utrecht political geography of Europe. It was for the first time in the history of European peace congresses codified in the Settlement. This, as shown above, is widely noticed in the IR literature. Yet, the balance of power was not conceived as a timeless and automatic self-equilibrating and self-adjusting mechanism, enforcing a subjectless and systemic

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28 Heinz Duchhardt, “Peace Treaties from Westphalia to the Revolutionary Era,” in *Peace Treaties and International Law in European History: From the Late Middle Ages to World War One*, ed. Randall Lesaffer (Cambridge: Cambridge University Press, 2004), 52.
gravitational pull across the spectrum to prevent uni-polarity or hegemony, as much of Neo-Realist IR theory suggests. It was rather contrived as a conscious strategy by Britain to hold the balance in its hands.\(^{29}\) It became the key policy for the achievement, maintenance, and enhancement of British primacy, but not hegemony. The balance of power was a political construct – a foreign policy practice – routinely invoked and re-affirmed in the annual Mutiny Acts of the British Parliament, which fixed the essential strategic aims of the British army and navy. It was already successfully tested in the War of the Spanish Succession itself.\(^{30}\) Substantively, it meant subsidising smaller powers, primarily financially but also through the hiring of mercenaries, orchestrating alliance-formation against any potential would-be hegemon, dispatching smaller British expeditionary forces, and considering intervention and war as the *ultima ratio* if everything else failed. This went hand in hand with a clear commitment to the de-territorialisation of British claims to continental possessions – the Hannoverian stemlands being a constant source of irritation for Parliament – while jealously guarding control over strategic naval bases. The overriding issue here was security interests, which trumped narrower economic interests, which Britain may have entertained vis-à-vis the Continent. This was essentially a defensive policy, controlling continental territorial might “on the cheap” and by “remote control” through the active manipulation of the balance of power and its associated sub-policies.\(^{31}\) It was a strategy of containing the belligerent aggressions of primarily absolutist powers by making wars militarily and financially risky and unattractive – a policy of deterrence and encirclement, plus financial attrition, plus, if needed, direct intervention. “The real British definition of a “balance of power“ then becomes a system enabling Britain to enjoy hegemony and pass its costs to others.”\(^{32}\)

\(^{29}\) This is widely noted by classical realists, but largely explained in terms of Britain’s geographical position plus William of Orange’s individual genius. Henry Kissinger, *Diplomacy* (New York: Simon & Schuster, 1994), 70-71; see also Hans Morgenthau, *Politics Among Nations: The Struggle for Power and Peace*, 6\(^{th}\) ed. (New York: Knopf, 1985), 199.

\(^{30}\) Hattendorf, “Alliance, Encirclement, and Attrition.”


\(^{32}\) Schroeder, “Historical Reality vs. Neo-Realist Theory,” 142.
But this innovation could not and did not lead to the general acceptance of the balance of power as a new international principle on a cross-country and system-wide basis, which stabilised the territorial distribution of power and the inter-state system. For the British practice of balancing co-existed, often uneasily, with the older notion of the dynastic idea of equilibrium and the compensatory convenance system.33 This implied that “a gain, especially of a territorial kind made by one state, had to be matched by corresponding gains by others.”34 As control over Land und Leute (land and people) constituted a natural monopoly in finite supply for polities that reproduced themselves primarily through the extraction and taxation of agrarian surpluses, territory was less a matter of prestige than a basic precondition for wealth and state power. Throughout the 18th Century, this convenance system led to the progressive elimination of smaller polities. Its compensatory and eliminatory dynamic was not significantly halted or reversed by British post-Utrecht power balancing, as the overriding strategic aim was not to freeze a specific territorial status quo “in perpetuity”. Rather, the objective was to flexibly maintain a sufficient number of polities of roughly equal size, while preventing any anti-British coalition amongst them or the formation of a continental hegemon that could single-handedly challenge British supremacy. Power balancing became an un-principled principle.

The British deployment of power-balancing and its geographical realisation in the Peace of Utrecht led thus to a series of territorial swaps, adjustments, and personal unions, which yoked very disparate regions under the umbrella of one nominal ruler, while supporting the recognition and independence of middling powers like Prussia, Portugal, and Savoy. The overriding aim of the balance of power as a policy for the geopolitical management of space was thus never the protection of the independence and freedom of each and every political community in the “society of states”. It was never intended to guarantee peace or secure the status quo.35 Its core rationale consisted in the

35 Duchhardt, Balance of Power und Pentarchie, 17.
pragmatic handling of a numerically ever-dwinding group of states in the interest of British power and security through the flexible formation of rapidly changing alliances in which individual smaller polities were promoted or abandoned as pawns of the game. “Albion” became “perfidious.”36 This preference for pragmatic adjustments to the realities of power shifts in a dynamic mixed-actor (but numerically predominantly dynastic) inter-state order, rhetorically pursued in the name of equity and harmony on behalf of the “public interest” and the “liberty of Europe”, came to form a long-term strategy of the British state into the 20th Century: divide et impera! Whereas Britain upheld a commitment to power balancing from 1713 onwards as a grand strategy translating into support for Kleinstaaterei (mini-state proliferation) on the Continent, it imperiously established itself as the colonial master of the seas, ruling the waves.

Geo-economically, blue-water strategy meant widening the oceanic and Mediterranean sphere of trading monopolies for British commerce against Dutch, Spanish and French mercantilist competition. It is in this context that Britain’s Utrecht gains become significant. For the curtailing and confiscation of French colonies and trading posts in the Americas, the transfer of the potentially lucrative right of the slave contract, the asiento, from the Spanish Crown, and the cession of Gibraltar and Minorca turned not only the Mediterranean into a British lake to access the riches of the Levante trade, but strengthened British pre-eminence in the Atlantic and the wider global world of sea-borne commerce.37 Blue-water strategy implied lessening the dependence of British trade on the continental mainland, circumventing the recurring threats of Dutch or French trading blockades, re-directing export and import market shares away from Europe to overseas trade, while pursuing an uncompromising and aggressive policy of commercial and imperial expansion across the globe.38 This policy should therefore not be conceived as a capitalist foreign policy per se, measured against a generic abstractum of a logically pure and idealised conception of capitalist rationality, as


38 Cain and Hopkins, British Imperialism, 84-101.
Schumpeter implied. It should rather be seen as a historically specific construction for the ordering and management of geography by the first capitalist state, intelligible within a historically specific domestic and geopolitical context. Blue-water strategy did not spread capitalist principles across the Continent, nor did it introduce capitalist social property relations overseas, but served nevertheless capitalist interests in safeguarding the domestic “liberties”, i.e. the parliamentary prerogative over the constitutional settlement which guaranteed domestic private property, the self-organisation of the “political nation”, i.e. the propertied classes in Parliament, and the nascent liberalisation of the British home market and, to some degree, intra-imperial British trade. Utrecht established a British “maritime-imperial” system.39

These British gains are referred to as geo-economic, since they had little to do with an ideal-typical capitalist policy of multilaterally liberalising international trade. They were more informed by the strategic calculations of geo-commercial rivalry, particularly in the crucial triangulation between Britain, France, and the Dutch Republic. Articles 5 to 13 of the Anglo-French Treaty signed at Utrecht contained far-reaching commitments to a bilateral free-trade agreement. Bolingbroke’s rationale for a separate Anglo-French commercial treaty rested on the conviction that Dutch, rather than French, commercial power posed a greater threat to British commercial interests on the mainland and, a fortiori, overseas.40 By opening the French domestic market for British goods and by blocking a similar Anglo-Dutch commercial treaty, Dutch commerce could be counter-balanced by entering into free trade with a supposedly commercially weaker France. Ultimately, the Anglo-French Commercial Treaty of 1713, which translated the Utrecht provisions into a parliamentary bill, was never ratified in the House of Commons due to Whig opposition. The entire episode ended in failure, while persisting high-tariff regimes reduced Anglo-French trade to

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39 Baugh observes that “the most pervasive cause of historical misunderstanding (...) has been the founding text of modern economic science, Adam Smith’s Wealth of Nations (1776). The book’s whole approach – on which its analytical purity depends – is grounded in an economic idealism that presupposes an eternally peaceful world featuring unfettered and harmonious marketing.” Baugh, “Maritime Strength and Atlantic Commerce,” 187.

low levels.

In the wider context, multilateral trade liberalisation was not to be had in an international and trans-continental commercial economy, which still operated on the old mercantilist principles of “buying cheap and selling dear”. Profits were primarily made in the sphere of circulation by transactions in non-integrated markets, premised on the political-military exclusion of economic competition. International commerce relied on the policy of armed trading. These trading circuits flourished because merchants, normally organised in state-backed and chartered trading companies, relied on politically constituted trade privileges granted by rulers. These established monopolies for specific trades and sectors linking territorially separate centers of production and exchange and creating profits through the exploitation of existing price differentials. The monopoly-character of sea-borne trade implied the politicisation and militarisation of trans-continental commerce. However, while international trade remained mercantilist, intra-British Empire trade was opened up to domestic competition, as the monopoly rights of the big chartered British companies were progressively abolished after 1688. For the 17th Century revolutionary changes in the composition of the British commercial community had given rise to a new class of “interloping” traders, which contested the state-backed monopoly rights of the older chartered company merchant elite. “Traders with the West Indies and North America had from the start operated under free-trade conditions, and (...) were intent on pulling down all barriers to the expansion of their commerce.”

Still, the partial liberalisation of British intra-imperial trade did not translate into a policy of institutionalising international free trade, but rather informed a policy designed to expand the sphere

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44 Brenner, Merchants and Revolution, 712.
of exclusive British maritime and naval commerce, protected by the Navy. "Nevertheless, in retrospect the broad thrust of British fiscal and financial policies combined with naval mercantilism can be represented as effective support for the endeavors of private capitalist enterprise carrying the economy through a process of Smithian growth into a transition for the technological breakthroughs for a first industrial revolution." While the mechanisms for growth were arguably not Smithian, premised on a quantitatively growing division of labour, expanding markets, competition and specialisation, but rather capitalist, premised on a qualitative transformation of social property relations between capital and labour, British capitalism developed within a fundamentally re-organised state. This new type of state protected and promoted the deepening and expansion of capitalist practices within a hostile mercantilist world of geopolitically competing pre-capitalist states. Throughout the 18th Century, this extra-British world could only be geopolitically managed and contained, but not constitutionally or economically transformed.

There was a final constitutional element to the British peace aims, as Britain managed to secure protective clauses for the Protestant Succession and Parliament’s right, codified in the 1701 Act of Settlement, to establish constitutional control over the succession. This meant insulating issues of the British succession – and thus the principle of the constitutional monarchy - from international dynastic entanglements. Whereas throughout much of the Continent, the doctrine of the divine right of kings in absolutist states precluded the assent to rules of succession by representative assemblies, including parliaments and estates, so that the divine right of monarchs could not be seriously dislodged as a constitutional principle, post-1688 Britain sought to systematically enshrine unqualified foreign acceptance of parliamentary control over succession into international treaties. The Grand Alliance Treaty included an additional clause that declared the recognition of the Protestant Succession a principal war aim of the allies. The two Anglo-Dutch

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treaties of 1709 and 1713 secured Dutch commitment to the Act of Settlement in return for British commitment to a barrier in the southern Netherlands. The same pledge was extracted from all peace parties to the Treaty of Utrecht and renewed in the Triple Alliance of 1717, the Quadruple Alliance of 1718, and finally in the Treaty of Aix-la-Chapelle of 1748.47

This amounted to the systematic pursuit by the British to secure international guarantees for its domestic constitutional monarchy – a significant departure from earlier international peace settlements. The country’s succession was now subject to international guarantees to suppress the Jacobite cause, and divorced from the biological accidents of international dynastic family inheritance conflicts and the wider customary marital strategies of inter-dynastic aggrandisement. While continental states equally engaged in a series of bilateral and multilateral treaties to secure international guarantees for existing rules of succession, these were routinely broken precisely because the social relations of sovereignty – the composition of social classes that constituted these polities - had never succeeded in overturning the fundamental principle of divine right to monarchical sovereignty. Here, genealogical accidents and dynastic practices of inter-marriage continued to plague and de-stabilise the territorial order of much of continental Europe right into the 19th Century. While the enshrinement of British succession arrangements into the Utrecht Settlement was thus indeed an innovation, their historical realisation remained geographically confined to the exceptionality of the British constitutional and, as we will argue, social arrangements.

1688: A Revolution in Foreign Affairs

How is this new grand strategy to be explained? What accounts for Britain’s success to imprint its designs on the Settlement? Surely, its growing power – commercial-maritime and

47 Luard, Balance of Power, 158, 169.
financial-military – played a dominant role, as did the institutional reconfiguration of the British state in the late 17th and early 18th Centuries. This is widely recognised in the literature with reference to the concept of the rise of the “fiscal-military” state.48 While this concept has been usefully deployed in the Neo-Weberian and Neo-Hintzean literature on state-formation, it suffers from the assumption of an quasi-isomorphic interpretative template generalised across very diverse processes of state-formation and obscures the qualitatively different social sources and outcomes of state-formation in early modern Europe.49 Furthermore, by accepting the bellicose nature of early modern inter-state relations as a given pan-European explanatory mechanism, it fails to account for the very belligerent disposition of early modern, specifically absolutist, polities. Accounting for the specific British foreign policy success of its Hannoverian “fiscal-military” state requires therefore not only attention to prior fundamental institutional changes in the British polity, it requires equally attention to the prior social pre-conditions that powered these constitutional changes. For post-revolutionary Britain came to express a new set of class relations generated by Britain’s revolutionary 17th Century, rooted in the rise of agrarian capitalism.50 This led not only to the growth of a new type of state power, which was uniquely able to absorb the rising levels of war-driven taxation and national debts, but also to a qualitative transformation in the character of the projection and deployment of power beyond the shores of the British Isles. It led to a revolution in foreign affairs as part of the new constitutional settlement achieved in the Glorious Revolution of 1688.51 This set Britain fundamentally apart, not only from the continental absolutist powers, but


51 Jeremy Black, Parliament and Foreign Policy in the Eighteenth Century (Cambridge: Cambridge
also from the mercantilist Dutch Republic.

What was the British revolution in foreign affairs? By 1688, sovereignty lay no longer with the King, but with Parliament. The constitutional settlement had curbed the traditional prerogatives of the Crown, including foreign policy making. Parliamentary sovereignty was gained in a series of royal concessions, increasingly accepted as statutory law. This included the 1689 Bill of Rights, the 1689 Mutiny Act, which made the army and the defense budget responsible to Parliament, the 1694 Triennial Act, and the 1701 Settlement Act. The new character of British sovereignty was captured by the formula “the King-in-Parliament”. Britain, no longer England after the 1707 Act of Union with Scotland, had become a constitutional monarchy. After these changes, British foreign policy was no longer exclusively conducted on the basis of dynastic interests as formulated in Kabinettpolitik, but increasingly on the basis of the “national interest” as formulated by the propertied classes in Parliament. One immediate consequence was that while the Crown continued to enjoy certain prerogatives, “the authority of ministers rested on their ability to maintain the support of the majority in the House of Commons.” Foreign policy was made accountable to a permanent elected assembly, which represented social and private interests and which converted these social interests into public policy.

With the Glorious Revolution control over the budget also passed to Parliament – a shift from the extraordinary taxation levied by the King on the people, especially during times of war, to taxation as a national affair, subject to deliberation and co-determination in Parliament, particularly with regard to military expenses and the setting of revenue-levels. This amounted to the self-taxation of the “political nation”, now in form of either the land tax or the older expedients of

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customs and excise.\textsuperscript{54} Taxation and war-related expenditures became subject to a rational and secular calculus and accountable to public debate and scrutiny. This was most clearly evidenced in the creation of the Treasury Board, which made all government departments’ expenses and receipts accountable to its oversight, and the Public Accounts commissions of the House of Commons, set up to eradicate waste and corruption during wartime spending. The growth in taxes to finance ever-more costly wars was removed from the divisive and arbitrary acts of the Crown and subjected to the authority of an elected assembly. The British experience of parliamentary control over the budget – indeed, the use of the technical term “budget” to record and quantify public revenues and expenditures – contrasted sharply with contemporaneous French practices. Here, in spite of repeated requests by finance ministers like Colbert to the King, exemplified in his 1670 “Memoir to the King on the Finances”, to subject war-declarations to a prior economic calculus on their financial sustainability, “budgets (…) were not yet established as a part of domestic government” until the late 18\textsuperscript{th} Century.\textsuperscript{55}

Additionally, public finance was now put on a new and secure footing through the creation of the National Bank of England in 1694.\textsuperscript{56} The public debt was no longer the King’s debt, liable to fraud and defaults, but precisely the National Debt, generating lower but more secure interest rates, and uniting the lending classes behind the war-efforts. This enabled “the state to borrow on comparatively favourable terms by providing a parliamentary guarantee for the swift repayment of interests.”\textsuperscript{57} The revolution in foreign affairs was thus supplemented by a revolution in fiscal and financial affairs. The British state’s financial and fiscal capacity for war-making was now premised on a new set of institutional arrangements. This underpinned Britain’s rise to Europe’s pre-eminent power during “the long 18\textsuperscript{th} Century”.

\textsuperscript{57} Harling, \textit{Modern British State}, 3.
But the parliamentarisation of foreign policy, taxation, and defense spending had even deeper ramifications that reverberated throughout British society at large. For as the Tory-Whig rivalry over the direction of public policy, including foreign policy, came to inform public debate amongst an ever-expanding electorate (the franchise was qualified by relatively low property requirements), the three elections of 1710, 1715 and 1722 drew large numbers of voters into the deliberation and, ultimately, indirect co-determination of foreign policy formation.\(^5\) Thus, in sharp contrast to the prevailing conception of foreign policy in continental absolutist states as an exclusive executive prerogative of the ruler’s *arcana imperii*, foreign policy formation in Britain became not only parliamentarised, but also “nationalised” as a subject of interest, debate, and engagement in an expanding wider public sphere.

This also meant that there was, henceforth, a partisan character to the formulation of foreign policy. Whigs and Tories represented different constituencies, roughly speaking the division between commercial and landed wealth. This also informed their differences in foreign policy orientation, but this time based on interests and pragmatics, rather than ideology, religion, or dynasticism.\(^5\) As the “national interest” is never something generically given, but defined and re-defined through domestic politics, the question of the extent of Britain’s commitment to continental warfare and the consequent tax burdens became a key issue in the controversy between Whigs and Tories. As a rule and under the mounting costs of the Nine Years’s War (1688-97) and the War of the Spanish Succession (1702-13), the post-revolutionary foreign policy of the Tories was committed to the containment of France – rather than defeat – and content to protecting the Constitutional Settlement of the British Isles, preventing continental hegemony, and expanding overseas. Geopolitics and geo-economics trumped ideology and religion. The Whigs, in turn, while first favouring a full-scale invasion of France and a pro-European policy, driven by their commitments to anti-absolutism and anti-Catholicism, scaled back their war-aims and were content to assemble a multi-confessional and multi-ideological alliance against the French. While the Tories masterminded the

Utrecht peace plan under Bolingbroke, Utrecht partly accommodated Whiggish interests by maintaining a territorially much-reduced absolutist France on the Continent, curbing its possessions overseas, and increasing the number of independent polities – absolutist and Republican alike – on the Continent as fodder for the balance-of-power. The Whig commitment to the liberty of Europe was therefore not a call for the substantive constitutional liberty of European polities – the internationalisation of the English Revolution - but reduced to support for their numerical plurality. The dualistic outcome of these opposing but increasingly narrowing partisan commitments was formalised in the blue-water policy – a new system of national security, which included minimal continental commitment based on power-balancing in the European theatre, plus unlimited overseas expansion based on naval power and maritime supremacy:

Despite their emphasis on various options, the English did slowly develop a consensus that ultimately formed the basis of their demands at the Congress of Utrecht, a consensus born of trial and error and held together in the end by the glue of economics. As a host of widely disparate initiatives succeeded on land and sea, it became apparent that “Whig” and “Tory” strategies were not necessarily incompatible and that England – Britain after 1707 – was strong enough to afford both.60

There was, in short, a new “reason of state”, different from the “reason of princes”, which translated into a new type of international ordering, with Britain as the two-faced pivot – the regulator of the system.

Social Property Relations, Fiscal-Military Performance, State Variations and Geopolitics:

France and England

Why did class conflict and geopolitics lead in France to an absolutist property regime, an “inefficient” pre-modern polity, and the relative decline of France’s international position, whereas

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60 Maltby, “Origins of a Global Strategy”, 165; “A blue water strategy made sense to almost all members of commercial society and to those, including many taxpayers and country gentlemen, who preferred their wars to be cost-effective if not downright cheap. And the policy had a political as well as economic dimension. For it had the additional advantage of avoiding any increase in the size of the army. It therefore could not contribute, however obliquely, to the creation of a military force likely to threaten Englishmen’s liberties.” Brewer, Sinews of Power, 168-9.
they led in England/Britain to a capitalist property regime, an “efficient” and modern state, and Britain’s rise to global primacy?

*France: from Feudalism to Absolutism*

A full reconstruction of the French trajectory has to start with the outcome of the “feudal revolution” around the year 1000 that left a territorially fragmented social property regime (the multiplicity of banal lords) that was slowly and gradually centralised by the Capetian and, later, Valois monarchies.\(^{61}\) Here, in contrast to England, competition between regional lords and royal power created room for a policy of peasant protection. In the course of the crisis beginning in the fourteenth century, the feudal rent-regime between lords and bonded peasants was undermined and finally replaced, after the seventeenth-century crisis, by an absolutist tax-regime between the king and free peasants in possession of their lands, creating wide-spread peasant small-holding.\(^{62}\) Peasant communities had benefited from competition between the monarchy and local nobles with respect to their surplus, gaining freedom in the process and establishing inheritable tenures that owed fixed dues that subsequently lost value with inflation. In this process, the old sword-carrying and independent nobility lost many of its feudal powers and became either impoverished or absorbed into the court society of the Old Regime through office venality and other channels of privilege. Simultaneously, the monarchy actively promoted the creation of a new “office nobility” that started to administer public power (taxation, justice and war). In this process, the demilitarisation of the old feudal nobility and the loss of their autonomous feudal powers of domination and appropriation implied their domestication and their need to re-organise their privileges and powers of extraction in relation to the royal state. The class-distinctions between the bourgeoisie and the aristocracy had become blurred, as members of both classes made the most of their wealth from landholdings and

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\(^{62}\) Brenner, “Agrarian Roots of European Capitalism.”
lucrative state offices. But the income from these landholdings was generated through pre-capitalist sharecropping and not from asserting direct control over production. Additionally, both classes reproduced themselves from fees collected in their capacity as office-holders, investment in state loans and royal largesse. Agrarian capitalism did not develop in France since neither peasants, who formed subsistence communities based on unmediated access to their means of reproduction, nor the upper classes (noble and bourgeois), which reproduced themselves through land-rents and the spoils of political offices, were subject to capitalist imperatives.

By the mid-17th Century, the demise of independent feudal centres of power finally meant that territoriality became internally more consolidated, since the French polity was no longer a fragmented ensemble of lordships that defined the parcellised sovereignty of the medieval polity, but a kingdom in which the Crown claimed sovereignty. It would be a fundamental mistake, however, to confound “absolutist” with modern sovereignty, for the relations of exploitation remained politically constituted, if now in the form of the “tax/office state” (the Steuer- und Ämterstaat). This meant that the process of political accumulation continued to rest on practices of domination, revolving round the personalised sovereignty of the ruling dynasty: L’État, c’est moi.

In the context of this social property regime, a separation of public and private realms, of the political and the economic, could not be carried through. As the king regarded the realm as his patrimonial property, raison d’État meant raison de roi. “Divine kingship” became the dominant mode of legitimation rather than a secularised discourse and praxis of “popular sovereignty” or “the national interest”. But “absolutism”, as the revisionist literature has confirmed, never implied unlimited or unchecked executive royal power, but rather institutionalised a new and ultimately unstable modus vivendi between king and privileged groups, most notably the sword and office nobility and the higher clergy. The relations of exploitation between the Crown and the nobility

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and between the ruling class and the peasantry remained governed throughout the ancien régime by political conflicts over access to and distribution of the total peasant-produced output. Consequently, taxation became the key arena of domestic conflict. In this context, every war tested and renegotiated the balance of power between Crown and nobility, as the monarchy tried to meet its financial needs by higher taxes, the artificial creation and selling of venal offices, or by loans advanced by private financiers who were often themselves tax-farmers. The nobility was, as a rule, exempted from taxation and therefore not represented in a national forum (the Estates General met for the last time before the French Revolution in 1614).\textsuperscript{65} This required the search for alternative sources of royal income. Therefore, the monarchy’s reliance on the nobility for financial support translated into an entrenchment of its position in the venal “bureaucracy” in the provincial estates and other regional corporate bodies, and into a flowering of indirect and informal deals that individual financiers struck in the clientelistic system of the court at Versailles. To remain financially afloat and pacify the office nobility, French monarchs sold and auctioned off public offices in ever-greater numbers. Over time, venal offices were held in perpetuity and heredity and so became a privatised source of income for office-holders and an unreliable and inefficient mechanism for state-revenues. The Crown thus lost control over its fiscal and financial administration. It failed to establish a central bank or secure lines of credit, while being forced to borrow on short-term loans at high interest rates from a class of wealthy financiers, who were themselves often tax-farmers. Especially the recourse under Louis XIV to office venality persistently strengthened the private property rights of office holders. In this way, the pretension to absolutism was belied by the progressive loss of control by the monarchy over the state apparatus as

\textsuperscript{65} There were some successful, but always intermittent, attempts to tax the privileged through, for example, the capitation (head tax) and the dixième (income tax). “The serious fiscal pressure of the last years of the War of the Spanish Succession was bitterly resented by the privileged classes, who made it clear that their consent to the dixième had been for the duration of the war only: the regent conceded its withdrawal in 1717.” Richard Bonney, “The Eighteenth Century. II. The Struggle for Great Power Status and the End of the Old Fiscal Regime”, in Bonney, Economic Systems and State Finance, 325.
it was re-privatised by an office nobility of heterogeneous (including bourgeois) social origins.

While war thus increased the absolutist claims of French monarchs over their subjects, it simultaneously paralysed their long-term financial and administrative capacity to rule. In short, there was a direct correlation between the intensification of warfare and office proliferation, the pursuit of international geopolitical accumulation and the domestic hollowing out of state power. Caught between spiralling military expenditures, its inability of radical administrative reform due to deeply entrenched vested interests, and the excessive and punitive taxation of the peasantry that further undermined relatively low rates of productivity, pre-capitalist France underwent a series of fiscal crises. This downward spiral, precipitated by the rising costs of warfare, royal debt-accumulation, office creation and sub-letting, over-taxation and inability to repay loans, contributed to the increasing dissatisfaction of a class of private financiers and office-holders. This led ultimately, exacerbated by continuous Anglo-French military rivalry culminating in the Seven Years’ War, to a general crisis within the ruling class over the form of the state, exploding at last in the French Revolution.66 The class dynamics and geopolitics of the ancien régime could not and did not lead to a rationalised, efficient, and “modern” bureaucratic state. In fact, military rivalry reinforced and intensified rather than resolved the pre-capitalist class tensions that structured Old Regime France. In a reversal of Charles Tilly’s dictum that “war-made-states-and-states-made-war”, it seems more plausible to argue that pre-capitalist states made war - and that war unmade these states.

These domestic dynamics had their correlate in early modern “international” relations. The replication of similar, though by no means identical, processes of “absolutist” state-formation across most regions of the Continent gave rise, mutatis mutandis, to a European system of polities in which dynastic rulers acted as gigantic (geo-)political accumulators. It was this pre-capitalist complexion that gave the early modern continental system of “states” its over-militarised, bellicose, and crisis-ridden character, both in its quantitative sense regarding the frequency of war and its

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qualitative sense regarding the catastrophic ratio between war expenditures and fiscal income – the economic sustainability of war. Although the 17th Century saw the rise of a territorially more sharply defined inter-state system (even though territoriality remained a fluid and exchangeable appendix of dynamic property rights of domination), this system still consisted of pre-capitalist polities, in which sovereignty continued to be personalised and tied to dynastic houses, rather than to a de-personalised abstract notion of statehood. The inter-dynastic system remained defined by very specific foreign policy practices: the war-driven accumulation of territories; the predatory and compensatory logic of dynastic equilibrium (convenance rather than power-balancing); control over exclusive and monopolistic trading-routes secured by politico-military means; the elaborate dynastic strategies of territorial aggrandisement through marital policies; the resulting dynastic unions and composite monarchies and their flip-side, the endemic wars of succession, including a general drive towards territorial empire-building. In short, it was these very specific patterns of conflict and co-operation that characterised the dynamics of “Westphalian Geopolitics”. This interpretation relegates the Peace Treaty of Westphalia, consistently regarded in the discipline of IR as the founding moment of the modern inter-state system, to a pre-modern compact between predominantly Old Regime polities, irrespective of the special status of the Holy Roman Empire and the independence achieved by the Netherlands and Switzerland.

*England: from Feudalism to Capitalism*

If continental patterns of property relations, state-development and warfare failed to generate a breakthrough to capitalist development or to modern state-formation, why and how did the English trajectory so radically diverge? How did the rise of capitalist property relations in the agrarian economy affect the institutional changes in the British polity, and how did these changes re-position Britain in the international system?
Returning to the millennium and the Norman Conquest, a tight feudal hierarchy of Crown magnates and lords was carried over after 1066 from ducal Normandy, in which the King retained the royal ban. This enabled a form of close, though not of course conflict-free, intra-ruling class cooperation that led to the enserfment of large sections of the English peasantry (a portion of the peasantry remained free-holders), while ruling out the complete geographical fragmentation of power that plagued 11th Century France, characterised by the multiplicity of banal lords. Correlatively, this tight feudal hierarchy reduced inter-lordly competition over peasant surplus, so that the French pattern of royal support for peasant freedom and peasant property in order to turn lordly rents into royal taxes failed to develop. Instead, while English serfs were able to achieve personal freedom during the feudal crisis of the 14th Century, they failed to secure property rights to their lands in striking contrast to their counterparts in France. Backed by royal justice, English lords transformed relatively secure copyholds (the customary form of peasant land use that was inscribed into manorial rolls) into competitive leaseholds for which they charged market rents while levying high entry fines.67 In the process, the regulation of land use through customary law was replaced by Common Law. This resulted in the gradual dispossession of the peasantry, the consolidation of larger estates and the market-driven need by capitalist tenant-farmers to raise productivity in order to maintain their leases in a competitive land market. By the early seventeenth century, we see the large-scale emergence of peasant wage-labour, capitalist tenant-farmers and a socio-politically homogeneous class of entrepreneurial landlords – the overall consolidation of agrarian capitalism. This process was accompanied and intensified by the enclosure movement.

The English transition to agrarian capitalism led to a class-constellation in which an entrepreneurial aristocracy, supported by the new “interloping merchants”, entered into a period of conflict with the monarchy, the old colonial merchant class and surviving feudal magnates over the

form and control of the English state. While the Stuarts tried to establish absolute authority, the capitalist aristocracy sought to construct a state that was responsive to the needs of private property protection, limited taxation and capital accumulation, encapsulated in the programmatic call for “political liberties”. This conflict between “court” and “country” culminated in the Glorious Revolution and the new notion of the “King-in-Parliament” – a formula that essentially codified the Crown’s concession of crucial powers to Parliament, which became the locus of British sovereignty. Between 1688 and 1715, the parliamentary classes consolidated their power by passing a series of fundamental constitutional acts – the Triennial Act, the Bill of Rights, etc. Agrarian capitalism had generated a social property regime in which the political conflicts amongst the members of the ruling class over the distribution and terms of the rights of political accumulation were increasingly replaced by private forms of economic exploitation in the sphere of production. Market and state, private and public, came to be increasingly differentiated, yet mediated through Parliament’s translation of social interests into public policy.

This new form of sovereignty, no longer personal-dynastic, but abstract-national sovereignty, drove the concomitant revolution in public administration – the Fiscal Revolution, the Financial Revolution, and the Military Revolution in particular. Core departments of government – the Treasury, the Excise and the Navy – turned from patrimonial to modern bureaucracies, while public finance was drastically modernised through the establishment of the Bank of England and the public debt. This combination of revolutionary institutional innovations - Britain’s naval superiority and exceptional fiscal-financial responsiveness in the face of external military pressure on the basis of a self-sustaining capitalist economy - gave the Hanoverian state the decisive comparative economic, fiscal, financial, military and administrative advantage over its continental competitors. This consolidated British exceptionalism. It seems therefore insufficient to derive the character of the post-1688/1707 British state as a “fiscal-military” machine from the exigencies of

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68 Brenner, Merchants and Revolution.  
69 Wood, Pristine Culture of Capitalism.  
70 Brewer, Sinews of Power, 58.
geopolitical rivalry, as John Brewer has suggested, without reconnecting state-development with domestic social dynamics and, in particular, social property relations. The post-1688 British state responded to military competition as vigorously and successfully as it did only on the back of a capitalist economy that generated the public institutions and resources to finance war without the constant threat of bankruptcy and royal defaulting on debts, which was so characteristic of France. And the unique fiscal responsiveness of the British polity was secured through the self-taxation of the capitalist aristocracy and merchants, which passed laws in Parliament that made tax-levels not only sustainable and tax-collection effective, but also made both socio-politically far less divisive compared with absolutist France. In short, the transformations in property and class relations throughout the 16th Century shaped the socio-political conflicts during the revolutionary 17th Century between the British monarchy and the new capitalist agrarian aristocracy, leading to a transformation in public power, sealed in the Glorious Revolution.

The events of 1688 and the period immediately following can be seen therefore to represent the victory of a program quite similar to that of 1641 and the establishment in power of an alliance of forces behind the program quite analogous to that of 1641 – on the one hand, an anti-absolutist, Protestant, and agrarian capitalist aristocracy favoring a strong state for international military and commercial power and for defense against the Catholic powers, and on the other hand, a dynamic maturing entrepreneurial merchant class, oriented toward making the most of the growing opportunities that could be derived from the long-distance trades and an expanding colonial empire, as well as from war finance. One witnesses a revolution in foreign policy leading directly to war with France and, in turn, a resolution of many of the central conflicts that had agitated the polity for more than a century.71

The revolutionary conflicts had changed the position of Britain in the interstate system, forcing it to redefine and adapt its role to the wider strategic context. Blue-water strategy, to recapitulate, was premised on a shift from dynastic to parliamentary foreign policy-making and based, on the one hand, on power-balancing versus its rivals on the continent, a policy driven first and foremost by British security interests, and, on the other hand, on unlimited commercial and colonial expansion overseas. The Peace Treaties of Utrecht constituted the first international institutionalisation of

71 Brenner, Merchants and Revolution, 713.
Britain’s new grand strategy. Power balancing, with Britannia holding in her hand the scales, implied the disengagement from the continental dynastic game of territorial geopolitics with its endless wars of succession, political marriages and dynastic unions. With the Peace Treaty of Utrecht, Britain largely withdrew from direct territorial aspirations on the Continent and started to regulate the states-system by means of rapidly changing alliances, with its monetary subsidies and mercenary expedition corps to smaller powers always ready to counter any emergent continental hegemony, usually, of course, French. Britain started to “drop out” of the practices of continental “Westphalian” geopolitics while steering it from offshore. Simultaneously, it built up its colonial empire overseas and rose to global hegemony by the end of the Seven Years’ War, a position fortified for another century by Waterloo and sealed by the Vienna Settlement.

**Conclusion: From Peace to Grand Strategy**

IR Theory, especially in its dominant (Neo-)Realist variants, has long been characterised by a reluctance to systematically incorporate social and domestic determinations into its conceptualisations of the history of international relations. It keeps insisting on the sphere of inter-state relations as a discrete and distinct object of inquiry, subject to its own systemic, repetitive, and timeless logic. These structuralist theoretical commitments render it profoundly a-historical. This attitude even pertains to such phenomena as general peace congresses, which not only enacted reconfigured power-political polarities of inter-state orders, but also introduced new substantive principles for the conduct of international politics. Nonetheless, the Peace Treaties of Utrecht are read as yet another validation of Neo-Realism’s retrodictive axiom that the anti-French Grand Alliance merely restored an equilibrium, which Louis XIV’s expansionary policies had temporarily rendered out of kilter. Apart from that, nothing much had changed according to Neorealist reasoning. This materialistic interpretation, premised on merely quantitative power capacities and de-socialised
power politics as self-evident truths, has generated its own idealistic responses, which restrict the analysis to the significance of norms and the self-understandings of historically situated actors in the construction of historically specific rules of the game for the conduct of international politics. While this allows for a better historicisation of the significance of Utrecht in the development of the European international order, the English School and Constructivist interpretations largely abstract from the differentially constituted nature of the peace-parties, their dissimilar power-capacities, and their diverging foreign policy interests. Mainstream IR Theory aligns Utrecht with the recurring struggle for power in an anarchical interstate system, and norm-oriented interpretations stress the converging meta-values and political cultures, which informed a consensus-agenda at Utrecht, governed by law and institutions. These norms reflected the meta-values of Old Regime Europe and while they were thus qualitatively distinct, they remained largely backward looking. In contrast, Schmitt and Schumpeter rightly insisted on emphasising Utrecht as a decisive relay point in the history of European inter-state relations, even though Schmitt over-simplified its rationale by grounding it in England’s unique geo-elementary position, while Schumpeter’s expectations of capitalism’s generic pacific and anti-imperialist foreign policy implications were wide off the mark.  

This historical sociology of the origins of Britain’s new grand strategy understands the Peace Treaty of Utrecht – and the series of associated bilateral treaties – differently. The Peace Accords, after a victorious war and the Alliance-undermining campaign of Bolingbroke’s pro-French secret diplomacy, successfully enjoined socio-politically and institutionally transformed British interests on the competing foreign policy orientations of qualitatively differentiated, but militarily and diplomatically weakened, actors: the mercantile Dutch Republic, and the French, Spanish and Austrian Old Regimes. The Settlement codified Britain's rise to European pre-

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eminence, institutionalised British blue-water policy and power balancing, sealed the decline of Holland's “Golden Age”, the dismemberment of Spain, the trimming to size of absolutist France, and the territorial adjustments of Habsburg Austria. The peace provisions also established a pro-British commercial, maritime and colonial regime. 1713 enacted the foreign policy ambitions of an ascending capitalist-parliamentarian power, which came to geopolitically manage Continental Europe in *sui generis* ways without, until 1789, intentionally or un-intentionally transforming the predominantly Old Regime constitutions of Europe’s major powers. Yet, even though British foreign policy making benefitted from an altered and privileged domestic structural context, it still required the skilful articulation and military-diplomatic implementation of a grand strategy to translate structural conditions into determinate effects. This reveals Utrecht not so much as a peace treaty, but as part of a wider and specifically British strategic project for the novel management of geopolitical space and international politics - the first in a series, which altered European political geography and international relations in qualitatively distinctive ways.