

**PO230 States and Markets: An Introduction to International Political Economy
Seminar Week 3. Capitalism and empire**

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- Is Adam Smith's work "eurocentric"?
- What does the "canon" omit?
- How does the East India Company fit within the story of British Empire and the development of capitalism?
- What does the EIC reveal about the relation between states and markets, politics and economics? Can you think of contemporary examples/parallels with the EIC?

<https://www.salon.com/2019/10/07/what-happens-when-a-corporation-colonizes-a-country/>

Slavery used to be completely legal but it was abolished in the UK in 1807 - although it wasn't until a quarter of a century later that slavery ended throughout the British Empire by the passing of a law called the Slavery Abolition Act in 1833. When this happened, slave owners were given money by the British government to compensate them for the loss of their slaves, which in those days were considered "property". These payments were known as *reparations*. This was a very large sum, around 40% of the government's budget at that time. It had to take out huge loans to be able to raise the funds, which it only finished paying off in 2015.

- **Should there be reparations by Western economies to Africa and India/ to families to victims/indigenous peoples?**
- **How should reparations be made?**

Where else in history have reparations been paid?

After World War One: Germany and the other countries were to be made to pay for the damage suffered by Britain and France during the war. In 1922 the amount to be paid was set at £6.6 billion.

After World War Two: West Germany agreed to pay \$7 billion to the newly created state of Israel where many persecuted Jews were going to live, and in total around \$89 billion was paid individual survivors of the Holocaust.

2003: South Africa's post-apartheid Truth and Reconciliation Commission recommended reparations for human rights abuses by the apartheid government, although only small amounts were paid.

2013: The UK government agreed to pay out £19.9 million in costs and compensation to more than 5,000 elderly Kenyans tortured by British colonial forces following the Mau Mau uprising in the 1950s.

<https://www.bbc.co.uk/newsround/53531055>

- **What constitutes development?**
- **Are racialised power relations inherent in market order? Come up with examples of how norms about race/colonialism inform market-making actions/laws (now or in the past).**

- Does liberalism have the resources to condemn the colonial enterprise, rather than simply its excesses?