

The British Occupation of Egypt in the American Imperial Imagination: Finance as a Strategy for International Power

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Abstract

This paper explores the foundation and impact of the British administration in Egypt, headed by Lord Cromer, during the first decades of the occupation (1882-1914), examining the regime's implementation of financial centrality as a principal of administrative organization. It argues that the form of power exertion pioneered by the British in Egypt embodied a new manner of moderating international power dynamics, which transcended the bounds of traditional imperialism. Using historical literature, US government commissioned reports from American economists Jeremiah Jenks and Edwin Kemmerer and the works of Englishmen, including Cromer himself, the paper demonstrates how the American perception of the British project is indicative of a larger reconstitution of global space. The paper first identifies the principles of the British project in occupied Egypt. It argues that from the regime's inception financial prerogatives dominated policy, as the administration shifted from a focus on staving off bankruptcy to a reorganization of internal economic relations, which casted the fellaheen, or the peasant class, in a newly active role. The paper then moves to a discussion of how this manner of financial organization was viewed by American imperialists as a model that was adaptable in their own dependencies. Using the reports of Jenks and Kemmerer, the paper dissects the two economists' desire to export the British model of financial centrality. Ultimately arguing that the two men's aspirations were part of an active reorganization of global power which fundamentally altered the relationship between a dependency and metropole and foreshadowed modern systems of international spatial organization.

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The British occupation of Egypt began in 1882 with the joint Anglo-French invasion in August of that year. This event would effectively mark the advent of a new and what would prove the final period of formal Western imperial expansion. The era of empire-building that followed the establishment of England's "veiled protectorate" in Egypt was markedly different from former colonial phases in various ways. Early British presence in Egypt, prior to the onset of WWI, embodied this new manner of global power relations in two ways: through the stated intention of the dominating power (the colonizer) and a recognition of finance as a central organizing principle. Both the ingenuity of the British project in Egypt and the program's initial "success" was recognized globally. The British occupation in the American imperial imagination was a manifestation of the international intrigue Britain's Egyptian project inspired.

In the first decade of the twentieth century, the United States deployed their first overseas financial advisors, several of whom traveled to Egypt on behalf of Washington, in order to observe the British administration. In their reports, American commentators identified the potential applicability of the British project, offering hope that America could export aspects of this new Egyptian model to their own recently acquired colonies, notably the Philippines. This aspiration for exportation was realized across the globe, as the model for a new form of global power dynamics centered around finance, took root. The standard developed by the British in Egypt, coupled with various international iterations of similar projects, contributed to a reorganization of geopolitical power dynamics. This gradual restructuring was indicative of the burgeoning awareness in the international consciousness of a stratification of global

space, foreshadowing post-colonial systems of spatial organization. Ultimately, international observers, including American economists, recognized that at the center of the British occupation in Egypt, was a belief that the proper organization of finance was both the core problem and fundamental mechanism of empire. Adjusting to this manner of administrative organization, American imperialists translated this rather insular story of success into a new model of global power projection, which superseded the bounds of any one colonial framework.

Finance as the Impetus for British Intervention

From its inception, the British occupation in Egypt was shaped around a financial prerogative. Necessary for understanding the later American interest in the system established by the British is a basic comprehension of what their project in Egypt was, specifically, how the principle of financial centrality came to be operationalized and why such a system for mediating the relationship between an occupying and dependent state proved successful. The immediate catalyst for Britain's intervention in Egypt was the growing power of a joint Egyptian-Sudanese nationalist uprising headed by Egyptian army-officer Ahmed Urabi against the Egyptian khedive. The Anglo-French bombardment of Alexandria, a response to Urabi's forces' massacre and displacement of Europeans residing in the city, marked the first act of the Anglo-Egyptian War. The Anglo-Egyptian War would ultimately result in the installation of the British "veiled protectorate," following decades of increased European interference in Egyptian autonomy despite native discontent. Prior to the conflict's outbreak, Egypt had been administered by the khedive, an honorific assigned to the head of the governmental body, composed in Egypt of a ruling dynasty

of Ottoman empire viceroys. Instillation of the British “veiled protectorate” in 1882 weakened the already strained power of the Ottomans over their Egyptian province and upset the interests of other European powers, notably the French, who had “regarded Egypt as a special sphere of their influence ever since Bonaparte’s invasion of the country.”¹ Over the course of the nineteenth century, the two nations, Britain and France, had achieved a tenuous parity of control, working together in opposition of a larger enemy and cooperating in an attempt to preemptively check the other.² Once established, England’s “veiled protectorate,” while in theory leaving the khedive and other governmental apparatuses in place, situated Britain as effectively the sole sovereign power in the state.

The British decision to occupy Egypt was motivated by an amalgamation of political and economic factors and followed years of consideration in Parliament and among British intellectuals as to the necessity of such action. The primary anxiety of Englishmen regarding the situation in Egypt was a loss of British capital and the threat posed to British bondholder interests. The nineteenth century prior to the Anglo-Egyptian War, witnessed the investment of \$80 million from European states into Egypt.³ For decades, British investors had been a part of this flow of capital, directing loans to the Egyptian state in support of the latter’s attempted shift towards modernization. Under the rule of Ismail Pasha (1862-1879), the Egyptian khedive became increasingly focused on projects of public works and infrastructure development, borrowing and investing vast sums of foreign capital to finance their efforts. In keeping with the professed desire of Ismail Pasha to assert Egypt as “part of Europe” and “abandon [the country’s] former ways...to adopt a new system,” as stated in 1879, his reign saw thousands of laborers employed in

the construction of irrigation canals, dams, railways and the completion of the Suez Canal.⁴

Despite the Khedive’s liberal economic ambitions, his projects of modernization were—at least in the Western consciousness—well-founded, yet misguided, representing “productive works carried to in the wrong way, or too soon.”⁵ In the latter years of the khedive’s reign, projects in the sector of public works fell into disrepair or remained incomplete as the state struggled to realize the full scope of their infrastructure ambitions, despite the copious amounts of borrowed foreign capital.⁶ While the results of the khedive’s modernization efforts failed to materialize tangibly, the toll of these programs was certainly realized economically, with the latter years of Ismail Pasha’s reign characterized by near financial ruin. Crippled by outstanding international debt and having already declared bankruptcy once in 1876, the overall Egyptian state debt had again ballooned by 1879 to approximately \$116 million.⁷ The 1870s would find Egypt locked in a seemingly dire and inescapable cycle of borrowing, with the state’s expenditures significantly outweighing Egypt’s revenue at a deficit of \$14.7 million to \$9.4 million per annum as recorded from 1864 to 1875.⁸ The Khedive’s continued reliance on additional foreign loans used to meet existing debt payments each year, paired with the arduous rates of interest from European lenders and the state’s deficit, made Egyptian bankruptcy seemingly inevitable.

Although not making up a great portion of Britain’s overseas lending, the prospect of a second Egyptian bankruptcy was worrying. Britain had already failed to recoup significant amounts of capital in other “semi-solvent” states.⁹ As such, the compounding socio-economic instability of the Egyptian state became a major concern for British investors and statesmen. This concern would

later translate into panic over the Egyptian ability to pay her debt following the Urabi revolt, ultimately acting as the trigger for the United Kingdom's eventual intervention. Financial equilibrium would go on to play a fundamental part in the organization of the British project in Egypt and the so-called "race against bankruptcy," as coined by Lord Milner, proved to be central in the British administration of Egypt. Keeping with the period of international financial oversight, which preceded the Egyptian bankruptcy of 1876, upon the advent of their control, British officials immediately began their ambitious plan of a radical reorganization of financial relations. Out of necessity, a settling of the debt proved to be the immediate priority of the occupation. British administrators were afforded a degree of agency on the international stage that had been inaccessible to the Khedive, allowing them to renegotiate the question of the Egyptian debt in a manner which better suited them. Owing in part to the power of British credit, British administrators were granted: a reduction of interest on the debt, the negotiation of new loans, particularly with British lenders, and amendments to legal impositions, such as the Law of 1880, that detracted from the state in the interest of bondholders.^{10,11} The hypocrisy of British action in regard to the debt is not to be understated, as numerous methods of intervention implemented post-1882 had been decried or denied by the British themselves when proposed by Egyptians in their own self-interest.¹² Regardless, the "race against bankruptcy" was considered virtually won by 1888 and the objective of the occupying administration shifted towards the ideal that would later define the occupation in the American imperial imagination. At this point, the British began to focus on preventative fiscal reform meant to safeguard Egypt from "slip[ping] back into the slough of

bankruptcy from which it had been so hardly and so recently rescued."¹³

Financial Centrality and the British Project in Occupied Egypt

The question of Egyptian debt had acted as the primary motivation for British interest in the state and laid the groundwork for its administration, which centered itself around finance as a mechanism of organization and control. Once the immediate fear of bankruptcy had been assuaged, the financial prerogative of the occupation continued to shape policy. British administrators worked to secure and improve the position of Egypt in the larger global financial order. The architect of the British project in Egypt, Evelyn Baring, the first Earl of Cromer, described Egypt as "a land whose government had for many years been one gigantic falsehood."¹⁴ Cromer viewed Egypt as a land governed by despotism, riddled with corruption and filled with a "backward race," which tended towards an "Oriental barbarity," characterized by unscrupulous morals and a lack of thrift.^{15,16} To this effect, Cromer and other British officials framed their interference in Egypt as a civilizing mission. Administrators espoused that the British were effectively saving the general Egyptian population from themselves, by lifting them from the deplorable depths of despotism and putting them on the path towards self-governance, by providing the general masses with advancements in their material standard of life.

The project Cromer's administration would implement in Egypt was influenced both by Cromer's service in colonial India and his prior experience in Egypt, serving as the British controller-general following the Egyptian bankruptcy of 1876.¹⁷ Cromer believed that effective self-governance—as defined by Western Christian and Enlightenment standards—could not be achieved in Egypt organically.¹⁸ Thus,

British intervention was needed for the preservation of propriety and to prevent Egypt from retreating back to “the tranquil Oriental barbarism.”¹⁹ Using the failed reforms of Ismail Pasha as an example of the ineptitude of “subject races” to independently pursue modernization, Cromer and many other English policy makers casted British interference as a necessity. Under Cromer, the project of occupation mutated from a short-term plan with the primary intent of staving off bankruptcy to an indefinite intervention with an objective colonial overlordship. Cromer himself, stated in correspondence with Parliament in 1886 that “the continuation of British occupation for a period to which at present no limit can be fixed should be taken as the point of departure for all discussion on Egyptian affairs.”²⁰

While Egypt was not officially considered a colony and thus, a part of the British empire, Britain’s “veiled protectorate” afforded London and ultimately Lord Cromer a high degree of control in the state and particular influence over strategic institutions, namely the Egyptian Ministries of Finance and Public Works.²¹ Using these two sections of government, Cromer constructed his new model of geopolitical power mediation. His administration instituted a regime of material advancements, concerned with the economic and social betterment of the fellaheen, Egypt’s peasant class, that would eventually represent the primary interest of outside observers. As Egypt was not a fully integrated British colonial possession, Lord Cromer was merely the consul-general of Egypt, rather than a colonial governor, which was the title assigned to similarly appointed British officials in other dependencies. Likewise, the British administrators relocated to Egypt as an integral part of Cromer’s project, while wielding near total power, worked under the title of advisors, and leaving the existing Egyptian ministers

nominally in place.²² Important also to the story of the Cromer administration's legal position within the occupation, was the role of the *Caisse* in the first decade of British intervention. Established subsequent to the Egyptian bankruptcy of 1876, the *Caisse* was an international commission-representing Austria-Hungary, France, Italy, and the United Kingdom-meant to supervise the payment of the Khedive’s loans. Following British intervention, the Cromer administration remained subject to the commission, thus the wants of global bondholders continued to impact policy. However, with the question of Egyptian debt largely settled by 1890, the commission’s influence began to have less weight on the decisions of Cromer and his administration. Due to Egypt’s unique status as a non-colony dependency, that was in the occupation’s early years responsible to not just Britain but an international assembly of nations, Cromer and his administration generally existed outside of the Crown’s purview. Increasingly so after the appointment of Lord Rosebery as Foreign Secretary in 1886 under the new Gladstone government; Lord Rosebery wrote to Cromer in 1887 expressing how, “[he had] no wish to disturb for a moment the even current of Egyptian affairs.”²³ The unilateral control gradually afforded to Cromer in Egypt through the Crown’s apathy, the waning power of the *Caisse* and the state’s legal standing, were recognized as factors which worked to enable Cromer’s project of financial reordering. However, the necessity of this overarching framework for occupation was later nullified. Nevertheless, the ability of the British to exert near total control over another sovereign state without formal integration into the colonial framework, but rather through a projection and gradual expansion of financial oversight, embodied a new manner of global power meditation, centering finance on the world stage.

The cornerstone of Cromer's Egyptian project was his ability to transform the economic relations of Egypt both internally and at the international level. Utilizing finance as the central principle of administrative organization, Cromer's administration worked to solidify in the mind of the fellaheen "the contrast between 'British Justice' and 'Oriental despotism.'" ²⁴ Providing the fellaheen with advancements in their economic and social standing that were inextricably linked to the British occupation and their imposition of Western ideals was meant to lead Egypt's agrarian class away from the oppression of despotism. The "first-fruits" of British interference were the rooting out and punishing of political corruption, elimination of state-sanctioned torture and the *courbash*,²⁵ and the nearly complete abolishment of the *corvée* system of labor extraction.²⁶ Superseding the demand for social reform, however, was the British imperative of economic rehabilitation for Egypt's rural masses. As Cromer noted, for Egypt, "[f]iscal relief had a prior claim to administrative reform."²⁷ The prioritization of fiscal policy comprised the bulk of what American economists considered as factors in the occupation's success. Such observations are unsurprising, as the entirety of Cromer's plan for the modernization of Egypt and the liberation of the agrarian majority was birthed from a belief in financial centrality, as "[all] other reforms which were effected flow[ed] from this one fact, that [under the occupation] the financial administration of Egypt [had] been honest."²⁸

Cromer's plan of the economic reorganization of the Egyptian state encompassed the broader renegotiation of state debt which dominated the first years of the occupation, as well as the recognition of the individual peasant as an influential economic unit. This latter idea was intrinsically linked to the British regime of

material gains and proved integral to the American conception of the British Egyptian project constituting an exportable prototype. Cromer's administration sought the economic empowerment of the Egyptian fellaheen through a variety of means, involving the establishment of new national financial institutions, general fiscal reform, land reform and a buildup of necessary social infrastructure. In keeping with this task, Cromer stated that "the principal efforts of the Government should be devoted to devising means for the relief of taxation."²⁹ In the final years of Ishmael Pasha's reign, the fellaheen class grew increasingly angered with the ever-rising tax levy they faced in an effort on the state's part to offset their overwhelming debt. In the first two decades of the occupation there was an overall reduction in taxation of slightly less than \$2 million per year.³⁰ In their fiscal reform efforts, the Cromer administration centered, to a degree, the issue of equity, working to eliminate the disparity found in the unequal urban/rural tax distribution. Similarly, the Cromer administration also grounded their projects of public works in equity, though the true effectiveness of such planned impartiality is debatable. Employing largely their own advisors and engineering technicians, many borrowed from the British colonial project in India, the Cromer administration undertook immense projects of irrigation reform aimed at water distribution on "just and scientific flows" and the production of "an agrarian landscape nourished by steady and even flows."³¹ The British believed that through tangible advancements - fiscal and irrigation reforms - the rural population of Egypt would recognize the progress created by Western rule as not only advantageous but as an impossibility under the "Oriental despotism" of old.

Aside from merely alleviating a portion of the financial burden faced by the Egyptian

fellaheen, integral to the Cromer administration's Egyptian project was their stated interest in the benefit of small proprietors above all other classes, including Europeans themselves. In the words of Aaron Jakes, the British project was one of "aggregate improvements," it prioritized a focus on the greater-good, employing minor improvement for the rural majority as a means of achieving heightened economic stability for the Egyptian state in its entirety.³² The administration's fiscal policy took a vested interest in the protection and assistance of the fellaheen as minor landowners, casting them in a newly active role in the society's economic landscape. The Agricultural Bank of Egypt, an institution that would grow to occupy an important position in the American imperial imagination, was founded in the occupation's early years. By 1908, an aggregate amount of \$9,000,000 in small loans had been dispersed throughout the state's rural population.³³ The bank was able to uniquely and more directly link European creditors and Egyptian borrowers, reaching "a surprisingly large number of the Egyptian fellaheen," who used the loans for the primary purposes of purchasing land and paying off old debts set with excessive rates of interest.^{34, 35}

A major problem of the pre-occupation era was, in the minds of British administrators, the tendency "for the land to pass out of the hands of present owners into those of foreign creditors."³⁶ This phenomenon often left the fellaheen greatly indebted to usurers or completely displaced from their agrarian holdings. In Cromer's own words, there was "no measure more calculated to destroy any hopes that the Egyptians will eventually become really autonomous...than the displacement of the small proprietors."³⁷ A transfer of land at a great magnitude the British believed would ultimately lead to agrarian crisis, destabilizing the nation which depended on agriculture and keeping Egypt

from becoming a stable participant in global economy. During the Agriculture Bank's first decade of operation, the proportion of landowners who were small proprietors increased nearly 10%, from 78% in 1894 to over 86% in 1904.³⁸ Moreover, under the Cromer administration's oversight "there was a large increase in the amount of land under mortgage, and the increase was greater among the peasant proprietors than among the proprietors of large estates."³⁹ These figures would appear to indicate the Cromer administration's successful subversion of the impending financial crisis wrought by the growing displacement of the fellaheen as landed citizens. As such, the financial empowerment of the fellaheen by Cromer can be seen—and ultimately was seen by American imperialists—as fundamentally working towards the occupation's end goal of self-governance for Egypt.

The British project in occupied Egypt, headed by Lord Cromer, centered the question of Egyptian finance and particularly the relationship of the individual agrarian peasant to the larger state economy. Within this project, finance operated a mechanism of control and Cromer himself attributes the success of the British occupation in Egypt to proper financial organization, stating, "the beneficial results which have accrued to the population of Egypt in every direction from the substitution of a sound fiscal policy for the oppressive and ruinous system of government to which they were formerly subjected."⁴⁰ This fiscal regime of aggregate improvement encompassed a new manner of moderating power dynamics between a subjected people and an occupying power. Engineered to bring stability to the state and cultivate in the masses a growing loyalty to Western values, ideals that the British administrators believed the fellaheen would view as responsible for their material advancement. The project was meant to allow Egypt to assume a fixed position in the global

economic order and by 1908, Cromer had proclaimed that “[t]here can be no doubt that [our] efforts have been crowned with success.”⁴¹

The American Imperial Perspective on British Egypt

In Cromer’s mind, Egypt represented a tremendously successful occupation because of a particular set of criteria in the state derived from Egypt’s specific problems of ruinous agrarian fiscal policy. Cromer himself did not surmise the project’s capacity for emulation. Believing Egypt to be an insular success, Cromer stated, “[i]t may be doubted whether in any other country such a remarkable transformation has been made in so short a time.”⁴² While Cromer himself may not have imagined that his project could constitute an exportable model, the undoubted prosperity of the Egyptian project did not go unnoticed by other global empire-builders. By 1902, American economist and financial advisor to the United States War Department Jeremiah Jenks, remarked, “the government of Egypt seems to have been administered with very great success so far as the financial conditions of the government itself is concerned and the economic welfare of the people.”⁴³ These comments by Jenks embody the general attitude of the international community in regard to Cromer’s Egyptian project. In the global consciousness, Egypt was a success due to its tremendous modernization, stabilization and growing integration into the global economy, described by contemporaries as “remarkable,” “an inspiration,” and a “model of fiscal control without formal annexation.”⁴⁴

Foreign observers, such as American economists Jeremiah Jenks and his pupil Edwin Kemmerer are in large part responsible for translating the methods of financial reinvigoration pioneered by Cromer into a viable model of global organization

that could be applicable in other territories. Jenks was Professor of Economics at Cornell University, who was instrumental in U.S. foreign policy through his work with the U.S. War Department’s Bureau of Insular Affairs. In tandem with Charles Conant, an American monetary expert, Jenks undertook extensive missions to the U.S. colony in the Philippines, working to establish a dollar-based gold exchange and advising on America’s own colonial project. One of Jenks’ more notable students was Edwin Kemmerer. An eminent economist in his own right, Kemmerer would carve his own place in the world of international economics, working as an advisor to dozens of governments. Both men were integral to the American colonial project in the Philippines, a dependency obtained by the U.S. in 1898, after it was formally ceded by Spain with the signing of the Treaty of Paris in December of that year. At this time, the Philippines represented to their new American overseers a people “who were not capable of self-government and, from a standpoint of culture, had nothing in common with Americans.”⁴⁵ The colonial regime the American administration would go on to introduce to the Philippine archipelago, under the advisement of intellectuals like Jenks and Kemmerer, was important in its own right to the evolution of international financial relations, aiding in the gradual rise of American hegemony. However, undeniable to the story of American colonial policy in the first decades of twentieth century was the guiding influence of financial centrality established under Cromer in Egypt.

Jenks and Kemmerer both spent time in Egypt and corresponded extensively with individuals high up in the administrative infrastructure of the British regime. Working under the guidance of the U.S. War Department’s Bureau of Insular Affairs, Jenks and Kemmerer both sent back reports,

in 1902 and 1906 respectively, to Washington detailing in part their understanding of the Egyptian project and the technicalities of why the occupation succeeded. Reading the two men's work in tandem illustrates the entrenchment of the British project as an aspirational and viable model in the American imperial imagination. In his role as Special Commissioner to the War Department, Jenks provided in his report a broad analysis of a wide range of British and Dutch colonial projects. Jenks hoped to identify similarities between and points of divergence within colonies regarding "systems of currency, labor, internal taxation, and police" in an effort to work towards "the settlement of problems presented in the Philippine Islands."⁴⁶ In Jenks' work, Egypt is highlighted in its own chapter, wherein he details how Cromer's project is perhaps the prime example of "the spirit of earnest effort to improve the intelligence and character of the natives,"⁴⁷ which the Americans wished to emulate in the Philippines. In Kemmerer's report, submitted four years after Jenks', the transformation of the Egyptian occupation in the American imperial imagination is evident. Acting as the Special Commissioner to Egypt, Kemmerer's examination shifted from one of broad ideals and a survey of generalities, as provided by Jenks, to a technical analysis of fiscal policy. Specifically, Kemmerer examined the operations of The Bank of Egypt and The Agricultural Bank of Egypt, detailing how these two new financial institutions could be replicated in the Philippines. Both Jenks and Kemmerer's reports were ostensibly complimentary of the Cromer administration's work in occupied Egypt. While recognizing the project's success, the two intellectuals considered how this new approach to international power projection grounded in financial oversight could be adapted to the Americans' own colonial enterprises.

The fundamental reason driving the American imperial belief in the exportability of the Egyptian project, was an implicit assumption within the Western consciousness of a global peasant class. Jenks and Kemmerer note in their reports that no colonial project is identical and yet, the disparities wrought by factors like environment are for them overcome by the realities of a shared history and a shared problem. The Americans' description of their Filipino subjects echoes the same tropes employed by Cromer and other British officials, relying on the same paternalistic attitude that shaped the British occupation in Egypt. Jenks notes the comparability between the Filipino farmer and the fellaheen, stating that both represented, "a people that for a long period in the past [had] been subject to arbitrary and oppressive rule."⁴⁸ Similarly, Kemmerer in his writing describes the fellah as "possessing little intelligence and little business sense," later remarking that the Filipino peasant comparatively lacks thrift and is perhaps even less industrious.^{49,50} It is clear in the men's report that the perceived issues of Oriental despotism, cultural backwardness and superstition, and historic financial disempowerment of the agrarian majority superseded borders and had retarded the performance of colonial states on the international stage. Paralleling the British understanding of their project as civilizing, with the goal of guiding Egypt to a path of self-governance, the Americans aspired to be "enlightening" in the Philippines, which "[w]ith the precious American gift of 'progress'...would evolve from a premodern to modern state of existence."⁵¹ Sharing a common end goal for their dependencies, near total state transformation and self-governance, the British project in Egypt appeared to the Americans as a tried and true method for the regime they themselves hoped to implement. Both the

more ideological and practical aspects of the British regime resonated in the American imperial imagination and Jenks and Kemmerer sought to identify principles and strategies of the British that they themselves could emulate. Guided by shared disdain for Oriental mismanagement of agrarian sectors of society, Kemmerer, in particular, reiterates throughout his report that the British regime went out of its way in “assisting the fellaheen to free themselves.”⁵² In the conclusion of his report, Kemmerer remarks on the success of the British in the moral transformation of the fellaheen, who during the occupation’s first decades “[had] become noticeably more industrious and thrifty.”⁵³ This apparent shift away from the Western-aborred characteristics of “Oriental barbarism,” speaks to a point Jenks makes in the opening lines of his chapter on the Cromer administration. Prior to dissecting any particular policies of the British, Jenks notes that “[t]he government states that it has attempted to rule Egypt strictly in the interests of the Egyptians themselves.”⁵⁴ This aspiration in Jenks view appears to have been accomplished, as he states in his discussion of Cromer’s program of financial reorganization that “the relief afforded to some thousands of fellaheen must have been considerable.”⁵⁵ The stated British desire to rule without self-regard and the reported evolution of the peasant character in response to economic security, embodied a core theoretical aspect of the British project, which in turn, aligned with the Americans own colonial ambitions for the Philippines. Important in both men’s inquiry into the success of the British occupation in Egypt, is a subscription to the idea of “the English brain, but the Egyptian hand.” Maintaining the implied power dynamics of the paternalistic framework that encapsulated the Egyptian project, the British regime “found [it] necessary to put Englishmen into responsible places which require[d] ability to

originate plans and to direct.”⁵⁶ In contrast, the British found it “advisable to fill most subordinate places with Egyptians.”⁵⁷ This stratification of labor relations is referred to by Jenks as a “general principle of administration,” a reality that prevailed during the entirety of the bureaucratic infrastructure of Cromer’s Egypt. The necessity of this socio-political dynamic to the Egyptian occupations was likewise recognized by Kemmerer, who, in his study of The Bank of Egypt and The Agricultural Bank of Egypt’s success employs terms such as “efficient management” and quotes Cromer in attributing the Bank’s achievement to “the supervision which has been conducted by very carefully selected British agents.”⁵⁸ Moreover, when discussing Lord Cromer himself earlier in the report, Kemmerer credits him as being solely “responsible for the inception of the bank.”⁵⁹ The banks, as they existed in Kemmerer’s report, were entirely Anglo institutions, birthed from and inherently tied to an imposition of what he considered Western culture. In the American imperial imagination, the approach pioneered by Cromer of projecting power in a uniform top-down manner represented a key feature in what to them was a highly successful model of global power arbitration.

American Admiration of Financial Centrality

Recognition of a shared ideological underpinning with Cromer’s Egypt, counted for only a part of the American interest in the British project in the occupied territory. The aspect of more profound importance to intellectuals such as Jenks and Kemmerer, was the use of finance as the guiding administrative principle. Moreover, the success wrought by such a projection of power, concentrated on the relationship between the advancement of the agrarian masses and the overall economic betterment

of the state. Utilizing fiscal policy and actions aimed at the empowerment of small cultivators, Cromer through his creation of the Agriculture Bank of Egypt was able to fundamentally rearrange the Egyptian economy, thus affecting the state's position internationally. This massive reorganization included the freeing of considerable private capital formerly tied up in mortgage loans, increasing land values, providing greater security for property holdings, and inspiring in the fellaheen a growing confidence in the safety of loans.⁶⁰ Also afforded by this project of fiscal restructuring was a reputation of stability and a consistent improvement of the financial standing of The Agricultural Bank of Egypt in the global economy, with the institution's stock increasing quarterly.⁶¹ The bank's ability to assist the fellaheen in the development of Egypt's agrarian capacity, "indirectly redound to the benefit of the government by reason of the greater prosperity and contentment of the people."⁶² Cromer's theory of material improvements as the basis of an occupying power's rule, contributed to the economic betterment of the state in its entirety, while simultaneously "link[ing] the Egyptian countryside more directly into global capital markets."⁶³ Kemmerer's report carefully detailed the Cromer administration's blueprint for the purposeful "role [of] recasting a regime of financial extraction as a benefit to the debtor state," commenting on the favorable effects this emphasis on aggregate financial improvement brought to a previously 'backwards' nation.⁶⁴

The structure of the Bank of Egypt, a private institution that utilized government services, appeared to both Jenks and Kemmerer as a "distinctive feature" of the bank and of the later Agriculture Bank of Egypt.⁶⁵ This peculiar structure in many ways proved to be responsible for the institution's ultimate success, as the government took an active

part in the loans there was a reduction in expenses that "enable[ed] the rate of interest to be made somewhat lower than would otherwise be possible."⁶⁶ Despite this exploitation of governmental services in the bank's operation, the bank still incurred "all the financial responsibility, taking all the profits and bearing all the losses," with the government stepping in only when repayment was reached.⁶⁷ Kemmerer advocated for the adoption of "an agricultural bank in the Philippines along lines similar to that of the Agricultural Bank of Egypt," preserving both the unique institutional structural and the manner of controlling a state's position at the global level through finance.⁶⁸ Providing a comparative breakdown of the fellaheen and the Filipino farmer, Kemmerer notes that a bank modeled in the style established under Cromer's administration would "be able to carry on a reasonably safe and satisfactory business" in the Philippines.⁶⁹ Moreover, due to even worse conditions in the Philippine islands in respect to land propriety and Kemmerer's estimation of the Filipino character, he believed that "the need for such a bank in the Philippines [was] greater than it was in Egypt in 1898 when the National Bank of Egypt was established."⁷⁰

The Emergence of a New System of Spatial Organization

Kemmerer and Jenks' reports provide a fairly comprehensive overview of the American imperial perspective on the British occupation in Egypt, demonstrating why other empire-builders saw the Cromer administration's project as something innovative. Kemmerer's report moves beyond mere appreciation of a new style of Western power projection, to providing the American colonial apparatus in Washington with a detailed model of colonial organization that builds on what Kemmerer saw as pillars and principles of the Cromer

administration. In keeping with the economist's findings, an entire portion of American foreign policy at the turn of the twentieth century was centered around finance and specifically the idea of a coalescing gold-dollar bloc. Prioritizing fiscal policy, the Americans built their financial aspirations "on the model of the gold-sterling bloc centered on London."⁷¹ A project of currency reform would grow to be integral to the U.S.' relationship with their Philippine dependency and out of the Philippine archipelago grew various iterations of similar American programs aimed at financial reordering throughout their other dependencies. The government's "essential idea was that dependent countries, under American fiscal supervision, would use U.S. gold dollars for external payments, while tokenized silver coinage...would be minted for internal use."⁷² For America's overseas financial advisors—a cohort to which both Jenks and Kemmerer belonged and are regarded within as distinguished figures—finance became a gateway in which the reorganization of global power dynamics was achieved. Fiscal policy allowed Western countries to exert pressure and manipulate the economic and political realities of dependent countries.

The American intention to adapt Cromer's model of financial probity, is evident in the works of Jenks and Kemmerer, as well as later US action in the Philippines and throughout the American-dominated world. Despite such clear American interest, the primary colonial framework under which they sought to institute the British model differed from that of the Cromer administration in Egypt. The American presence in the Philippines did not exist in the bureaucratic grey zone to which the British "veiled protectorate" belonged to. An example of an American fiscal project concentrated on a non-colony dependency, is the U.S. relationship with Panama, as the

latter was set up as a U.S. protectorate in 1903. The dynamic established between these two nations was constructed following a similar framework for occupation and in the shadow of, "[t]he Egyptian model of fiscal control without formal annexation."⁷³ However, the U.S.' annexation of the Philippine archipelago was an overt form of empire-building that sought to incorporate the Philippines into America's own imperial framework.

Lacking a shared pretext for occupation, the Americans nevertheless believed that the adaptation of Cromer's model of financial centrality would work to answer their core problem in the Philippines, easing the burden of empire by providing financial stability and a subdued population. The supposed applicability of Cromer's project within both a similar imperial framework in Panama and one that was wholly different from the British in Egypt, that of the Philippines, demonstrates that the model of organization pioneered by Cromer was not solely a product of the unique status of Egypt as a non-colony dependency. Rather, the model of financial oversight monopolized by an occupying power and framed as a benefit to the dependency, was wedded to an emerging reconstitution of global space. Instead of existing as an innovation in empire-building, Cromer's project had more profound implications in regard to the system it established for regulating the relationship between an occupying power and a dependent state, regardless of the bounds of formal imperialism.

Conclusion

The American imperial relationship to Cromer's Egypt can be understood under the framework of a "shared inter-imperial project," or the conception that "[e]mpires constituted important microcosms and contact zones of intra-imperial connections and inter-imperial exchanges."⁷⁴ Beginning

in the latter half of the nineteenth century, the world experienced an “accelerated drive towards integration of the world’s industrial core,”⁷⁵ a phenomenon that drove the establishment of networks for imperial exchange. At the turn of the twentieth century, the British empire constituted a particularly important cornerstone of this exchange. As the largest and most successful empire at the time, other global powers looked to Britain “as a trusted and admired reference point, a standard against which they measured their own nation’s performance.”⁷⁶ Integration of the world’s industrial core, which encompassed the world’s major empire-builders, was inherently linked to a sort of global stratification and the entrenchment of a particular understanding of spatial organization, comparable to contemporary ideas, such as of Friedmann’s core-periphery model or the notion of a Global South/Global North dichotomy. By envisioning themselves as akin to the British, pursuing similar aims under related ideological frameworks, the American imperialists were in turn constructing in their imagination a view of the global peasant, a class of people analogous to what one may call the Global South. Kemmerer and Jenks’ commentary on the complementary characteristics of the fellaheen and the Filipino farmer, along with their recognition of a perceived communal history which birthed a shared problem, is indicative of this growing perception.^{77,78}

The model of global organization innately tied to the conception of an inter-imperial exchange crafted during the colonial period, to which the reports of Kemmerer and Jenks belong, while spawned from the ideology of colonialism, ultimately outlasted the institution of empire itself. The possible longevity of this standard of international mediation was already observable in the writings of Kemmerer and Jenks, as the Americans’ sought the exportation of

Cromer’s model across varying forms of interstate relationships. The system of spatial configuration formulated under the inter-imperial exchange persists in the contemporary as a pervasive relic, which has in the intervening century and a half permeated the global consciousness at seemingly all levels of awareness. Financial centrality and fiscal policy merely represent a singular aspect of this larger spatial dynamic. The system of organization oriented around finance and established by Cromer’s project in Egypt embodied a new way—and later prototype—for expressing this international power dynamic.

The global embrace of financial centrality as an organizing principle following the British occupation of Egypt, exemplifies the calcification of this new world system, centered on a renegotiation of the terms between the dependent and the occupier. The conception of global space proposed in this period would find itself later manifested in and further strengthened under the guise of more modern projects and institutions, such as the IMF and World Bank, as well as the development economic projects of 1950s and 1960s, all of which would utilize finance a way to perpetuate this system of spatial organization. American fascination with the British imperial project in occupied Egypt carried over into their own projects of state-building and territorial expansion. This interest would continue to shape the global consciousness, offering a valuable precursor and model for aspects of the Bretton Woods financial system and the embrace of the old imperial powers of modernization theory, as well as the notion of *gebender Kolonialismus* (“the colonialism of giving”), in the decades after WWII. In this regard, the pioneering work of the Cromer administration in occupied Egypt represents, to an extent, the ideological origins of the world system that emerged in the first half of the 20th-century

and which continues to define the world today.

¹ Robert L. Tignor, "The British Period, 1882–1952," in *Egypt: A Short History*, (Oxford: Princeton University Press, 2010). 229.

² Ronald Robinson and John Andrew Gallagher, *Africa and the Victorians: The Official Mind of Imperialism*, (London – New York: Macmillan & Company, 1961). 79.

³ Edward L. J. Risdale, *An Inquiry into the capacity of Egypt to pay interest on her debt* (London: Effingham Wilson Royal Exchange, 1878). 8.

⁴ Aaron Jakes, *Egypt's Occupation: Colonial Economism and the Crises of Capitalism*, (Stanford: Stanford University Press, 2020), 37.

⁵ Robinson and Gallagher. *Africa and the Victorians*. 81.

⁶ Tignor, "The British Period," 232.

⁷ Ridsdale, *An Inquiry*, 11-12.

⁸ Ibid, 6.

⁹ Ibid, 2.

¹⁰ Theodore Rothstein, *Egypt's Ruin* (London: Effingham Wilson Royal Exchange, 1910), 250-251.

¹¹ Jakes, *Egypt's Occupation*, 44.

¹² Rothstein, *Egypt's Ruin*, 252.

¹³ Lord Cromer, *Modern Egypt*, (New York: The Macmillan Company, 1908), vol. 2. 444/447.

¹⁴ Ibid, 443/444.

¹⁵ Ibid 443/444.

¹⁶ Lawrence John Lumley Dundas Zetland, *Lord Cromer: Being the Authorized Life of Evelyn Baring First Earl of Cromer*, (London: Hodder and Stoughton, 1932), 129.

¹⁷ Ibid, 20/21.

¹⁸ Ibid, 129.

¹⁹ Ibid, 129.

²⁰ Ibid, 129.

²¹ Tignor, "The British Period," 231.

²² Ibid, 231.

²³ Zetland, *Lord Cromer*, 131.

²⁴ Jakes, *Egypt's Occupation*, 46.

²⁵ The courbash (or kurbash) is "a lash or whip of hide used as an instrument of punishment" - *Merriam-Webster.com Dictionary*, s.v. "kurbash,"

<https://www.merriam-webster.com/dictionary/kurbash>.

²⁶ Lord Cromer, *Modern Egypt*, 425.

²⁷ Ibid, 447.

²⁸ Ibid, 455.

²⁹ Ibid, 447.

³⁰ Ibid, 447.

³¹ Jakes, *Egypt's Occupation*, 45-46.

³² Jakes, *Egypt's Occupation*, 56.

³³ Cromer, *Modern Egypt*, 452.

³⁴ Edwin W. Kemmerer, *Report on the Agricultural Bank of Egypt to the Secretary of War and the Philippine Commission*, (Washington: Government Printing Office, 1906). 11-12.

³⁵ Jakes, *Egypt's Occupation*, 85.

³⁶ Cromer, *Modern Egypt*, 450.

³⁷ Ibid, 451.

³⁸ Kemmerer, *Report on the Agriculture Bank*, 04.

³⁹ Ibid, 04.

⁴⁰ Cromer, *Modern Egypt*, 450.

⁴¹ Ibid, 452.

⁴² Ibid, 455.

⁴³ Jeremiah W. Jenks, *Certain Economic Questions in the English and Dutch Colonies in the Orient*, (Washington: Government Printing Office, 1902), 149.

⁴⁴ Mark Metzler, "Gold and Empire," in *Lever of Empire: The International Gold Standard and the Crisis of Liberalism in Prewar Japan*, (California: University of California Press, 2006), 43.

⁴⁵ Ian Morley, "Spanish Colonialism, American Imperialism, and the Philippines," in *Cities and Nationhood: American*

Imperialism and Urban Design in the Philippines, 1898-1916, (Honolulu: University of Hawai'i Press, 2018), 20.

⁴⁶ Jenks, *Certain Economic Questions*, 01.

⁴⁷ Ibid, 149.

⁴⁸ Ibid, 143.

⁴⁹ Kemmerer, *Report on the Agricultural Bank*, 20.

⁵⁰ Ibid, 26.

⁵¹ Morley, "Spanish Colonialism," 20.

⁵² Jenks, *Certain Economic Questions*, 143.

⁵³ Kemmerer, *Report on the Agricultural Bank*, 09.

⁵⁴ Jenks, *Certain Economic Questions*, 143.

⁵⁵ Ibid, 146.

⁵⁶ Ibid, 143.

⁵⁷ Ibid, 143.

⁵⁸ Kemmerer, *Report on the Agricultural Bank*, 17.

⁵⁹ Ibid, 09.

⁶⁰ Ibid, 20.

⁶¹ Ibid, 16.

⁶² Ibid, 20.

⁶³ Jakes, *Egypt's Occupation*, 42.

⁶⁴ Ibid, 56.

⁶⁵ Kemmerer, *Report on the Agriculture Bank*, 21.

⁶⁶ Jenks, *Certain Economic Questions*, 145.

⁶⁷ Ibid, 145.

⁶⁸ Kemmerer, *Report on the Agriculture Bank*, 24.

⁶⁹ Ibid, 24.

⁷⁰ Ibid, 26.

⁷¹ Metzler, "Gold and Empire," 43.

⁷² Ibid, 43.

⁷³ Ibid, 43.

⁷⁴ Frank Schumacher, "Embedded Empire: The United States and Colonialism," *Journal of Modern European History* 14, no. 2 (2016): 205.

⁷⁵ Ibid, 204.

⁷⁶ Ibid, 204.

⁷⁷ Kemmerer, *Report on the Agriculture Bank*, 23/24.

⁷⁸ Jenks, *Certain Economic Questions*, 143.