

Domestic politics and the escalation of commercial rivalry: Explaining the War of Jenkins' Ear, 1739–48

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Abstract

The study of international rivalry is a thriving research program in international relations, but it focuses primarily on strategic rivalries and generally neglects both commercial rivalries and the impact of domestic politics. We examine commercial rivalry and the causal paths through which it can escalate to war. After identifying alternative theoretical explanations, we focus on the Anglo-Spanish rivalry of the 1730s and the processes through which it escalated to the War of Jenkins' Ear (1739–48). We examine both balance of power and dyadic trade rivalry explanations, and then give special attention to domestic politics in Britain. We argue that the commercial rivalry was a necessary but not sufficient condition for the war of 1739. The Walpole ministry was opposed to war, and the rivalry would not have escalated in the absence of domestic pressures from mercantile interests, a xenophobic public, a politically opportunistic parliamentary opposition, and a divided cabinet.

Keywords

commercial rivalry, political oppositions, trade war, War of Jenkins' Ear

Introduction

The study of international rivalry has been a prominent research program in the international relations field for over a decade.¹ Theoretical and empirical research on rivalry has advanced our understanding of international conflict, but it has focused almost exclusively on strategic rivalries while neglecting economic rivalries. This omission is striking in the context of the rapid growth in the literature on the political economy of war and peace,² the belief that great power competition has increasingly shifted from the military to the economic arena, and the salience of economic rivalries in the contemporary world.

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Although economic competition plays a negligible role in many strategic rivalries, it is more important in others. Economic rivalry has been particularly salient in relations among maritime powers, for which commerce and naval strength are often the leading components of national wealth and power (Thompson, 2006).³ The Anglo-German rivalry that contributed to the outbreak of World War I had a critical economic component (Kennedy, 1980), as did the Anglo-Dutch rivalry that led to three wars in the 17th century and the Anglo-French rivalry that defined the ‘second hundred years’ war’ of the 18th century (Black, 1986; Dorn, 1940; Kennedy, 1987a; Wilson, 1957). In fact, historians have argued that economic factors dominated the processes leading to war in some rivalries. Wolf (1970: 37) asserts that the First Anglo-Dutch Naval War (1652–55) was ‘the first wholly commercial war in modern times’; Kossman (1964: 288) argues that the Second Anglo-Dutch Naval War was a ‘purely commercial war’ in which ‘no political element exercised any influence’; and Dorn (1940: 126) describes the War of Jenkins’ Ear (1739–48) as the ‘purest trade war.’

None of these authors defines a ‘wholly commercial’ or ‘pure’ trade war, but presumably each envisions a causal process dominated by the economic competition between two rival empires, perhaps reinforced by pressures from domestic economic interests in search of external markets and profits. The first is a realist or mercantilist explanation, focusing on the maximization of the power and wealth of the state. The second could take the form of a Marxist explanation or a liberal domestic pressure group explanation.

We suspect that neither form of a ‘pure trade war’ hypothesis nor their combination fully captures the complex processes through which most commercial rivalries contribute to the outbreak of war. Although a realist/mercantilist argument based on a competition for state power and wealth might describe some cases, all commercial rivalries have significant internal distributional consequences (Rogowski, 1989), and it would be surprising if the likely winners or losers from particular trade policies did not attempt to influence state policy (Lobell, 2005; Narizny, 2007). A key question is *how* domestic economic interests influence state policy. In what kinds of regimes and under what conditions are what combinations of domestic interests powerful enough to influence policy, and through what paths do they exert their influence? Do they work directly through the executive or through the legislative branch of government? How do the motivations of power, wealth, and private profit interact in the context of a commercial rivalry?

Our aim in this article is to begin to explore the causal paths through which economic rivalry might contribute to the onset of war.⁴ One causal path involves a competition for power and wealth between states, and another involves the political influence of domestic economic interest groups on state policy. A third path involves a more complex model, in which additional domestic variables (including the role of the political opposition, public opinion, and perhaps cabinet politics) play a critical role in the processes leading to war or peace.

In earlier studies, the second author examined the escalation of the Anglo-Dutch rivalry of the 17th century, which contributed to three naval wars between England and the Netherlands within a quarter-century. He found that commercial interests were nearly impossible to disentangle from strategic concerns (on both sides) in the processes leading

to the First Anglo-Dutch Naval War (1652–55). For England, the competition for trade involved the issue of the freedom of the seas in the English Channel. For the Dutch, the economic conflict involved access to fisheries that were the backbone of the Dutch economy and hence a matter of survival for the Dutch state and society (Holsti, 1991: 57; Kennedy, 1987a: 51; Wilson, 1957). The Anglo-Dutch commercial rivalry was inseparable from the Anglo-Dutch strategic rivalry and the emerging naval power transition between England and the Netherlands. The commercial rivalry escalated to war through the intermediary path of a strategic rivalry (Levy, 1999; Levy and Ali, 1998).

This finding about the Anglo-Dutch commercial rivalry raises the questions of whether all commercial rivalries that escalate to war do so through the intermediary step of a strategic rivalry, and whether there are alternative causal paths leading from commercial rivalry to war. Given the relative absence of theory about the escalation of commercial rivalries, our aim is to develop hypotheses rather than test them. For this purpose, a detailed exploration of the path to war in one rivalry can be quite useful (Eckstein, 1975).⁵

We can identify a number of cases of international rivalries with important economic dimensions. These include, among others, Venice and Genoa in the 13th and 14th centuries; Venice and the Ottoman Empire in the 14th through 16th centuries; Venice and Portugal in the 16th century; England and France, and England and Spain, in the 18th century; England and Germany, and England and the USA, in the 19th century; and the USA and Japan in the 20th century (Thompson, 1999). For hypothesis generation, unlike hypothesis testing, issues of selection bias are negligible (George and Bennett, 2005). By selecting a case that is widely regarded as involving a leading role for commercial rivalry in the processes of escalation to war, we can better ask *how* the rivalry led to war and identify the primary causal mechanisms involved. Given the number of historians who have argued that a conflict over trade was by far the primary cause of the War of Jenkins' Ear (Anderson, 1976: 290; Dorn, 1940: 126; Pares, 1936: 126; Temperley, 1909: 197), we focus on the Anglo-Spanish rivalry leading to the War of Jenkins' Ear.⁶

We argue that while economic competition played a major role in the escalation leading to the War of Jenkins' Ear and in fact constituted a necessary condition for the war, conflicting commercial interests would not have led to war in the absence of domestic political pressures in Britain.⁷ Strategic considerations provided strong incentives for peace rather than for war. Sir Robert Walpole, Britain's *de facto* prime minister,⁸ opposed war, and made every effort to avoid it. Many mercantile interests favored war, but their preferences would have had little impact in the absence of support for war among the political opposition in Parliament. In a time of emerging consciousness of British national identity and a mercantilist economic doctrine that linked mercantile and state interests, the opposition skillfully used the economic conflict to exploit merchant grievances and mobilize public opinion in pursuit of its own goal of weakening a long-serving and powerful prime minister.

This study makes it clear that the causal path through which the Anglo-Spanish commercial rivalry escalated to war is captured neither by a realist/mercantilist explanation based primarily on an interstate competition for power and wealth, nor by an economic pressure group explanation. The path to war also differs from that involved in the escalation of the Anglo-Dutch commercial rivalry nearly a century earlier. Unlike the earlier rivalry, the Anglo-Spanish rivalry escalated to war without going through the intermediary stage of a strategic rivalry.

This study contributes to our theoretical understanding of international rivalries by broadening the existing focus on strategic rivalries to include economic rivalries and by emphasizing the domestic component of rivalries. It also contributes to the expanding literature on the domestic political economy of war and peace (Lobell, 2005; McDonald, 2009; Narizny, 2007; Papayoanou, 1999; Snyder, 1991), which has neglected the importance of rivalries.

Although some might question the contemporary relevance of rivalries from an earlier era, there is little reason to believe that the key causal mechanisms at work in those rivalries are no longer operative. Economic rivalries are just as important in the contemporary system as they were several centuries ago, and the influence of domestic politics in shaping their evolution is perhaps even greater.⁹ Contemporary actors themselves believe that past rivalries are relevant. At the peak of the US–Japan economic rivalry in the 1980s, for example, many in Japan saw the three-century-old Anglo-Dutch rivalry as a model for contemporary relationships. In his study of the decline of great trading powers, Kosaka (1981) compared Japan with the Dutch. Okazaki (1991) subtitled his book *We Can See Japan in Dutch History* and viewed US behavior as mirroring coercive English behavior toward the Dutch.¹⁰

We begin with a brief summary of the international context of the early 18th century, emphasizing the Anglo-Spanish and Anglo-French commercial rivalries.¹¹ We argue that balance of power calculations favored peace rather than war, and show that while the commercial rivalry contributed significantly to the processes leading to an Anglo-Spanish war, it did not make war inevitable or even highly likely. We then turn to British domestic politics and examine the interplay of private economic interests, parliamentary politics, public opinion, crown politics, and conceptions of British identity in the processes leading to war. We consider Spanish motivations and behavior, but the primary focus of this article is on Britain. Spain was not financially prepared for war. It mostly reacted to British demands while attempting to maintain its colonial trade monopoly and to keep the British from encroaching on Spanish territory in Florida.

Historical background

Britain and France were each rising European powers in the early 18th century, while Spain struggled to recover from its economic crisis of the late 17th century and from its losses in the War of Spanish Succession (1701–13). Concerns about the designs of King Philip V of Spain in both France and Italy led to the War of the Quadruple Alliance (1718–20), which pitted England, France, the Netherlands, and Austria against Spain, and to a minor Anglo-French war against Spain a decade later (1727–28). Yet alliances were fluid. The Anglo-French alliance expired in 1730 after 15 troubled years. Britain stayed neutral while Spain and France fought Austria and Russia in the War of the Polish Succession (1733–38). Spain had benefited from a period of economic and naval resurgence in the 1720s, but by the 1730s Philip's mental instability and his untalented ministers contributed to Spanish weakness and passivity, especially in colonial affairs, where Spain had struggled to maintain its empire (McLachlan, 1940: 100–102; Woodfine, 1998: 24).

The 18th century was a time of protectionist policies and intense trade rivalry among countries (Anderson, 1976), driven in part by a mercantilist doctrine that emphasized

monopoly over trade zones and the mutually reinforcing nature of trade and military power.¹² People believed that monopoly trade generated the wealth necessary to sustain military power and war, and that war helped to expand one's own trade while harming the adversary's trade. In Clausewitzian terms, trade was a continuation of war and war was a continuation of trade (Howard, 1976: 47; Viner, 1948).

Trade, rather than territory, was the primary driver of colonization.¹³ States often viewed colonies as strategic liabilities because of the high costs of defending them (Luard 1992: 222–223). Colonial trade, especially with the West Indies, was of great importance to Britain's wealth (Anderson, 1976; McLachlan, 1940), and the slave trade was an important part of colonial trade, given its key role in the production of sugar. Even as sugar exports were suffering from competition with French Hispaniola, colonial trade was a rapidly increasing source of wealth (Anderson, 1976). Dorn (1940: 252–257) argues that the colonies were 'conditioning the entire life and character of the English people.'

The Anglo-Spanish commercial rivalry

In the early 18th century, Britain was a rising economic power, heavily dependent on trade, while Spain was a stagnating economy monopolizing a large source of trade (Speck, 1977; Wilson, 1988). Britain and Spain were commercial rivals, but their economies also had many complementary elements, and Spain's economic weakness diminished the intensity of the rivalry. Bad fiscal policy and expensive religious wars had prevented the development of manufacturing, ensuring that the Spanish economy remained dependent upon natural resources (McLachlan, 1940: 11–12). This meant, contrary to colonial doctrine, that Spain could not be the sole supplier for its enormous overseas empire, leaving this empire 'overstretched' (Kennedy, 1987b; Pares, 1936: 1). Despite this weakness, Spain could not abandon its imperial monopoly, because colonial trade was a major source of royal revenue, as well as an opportunity to rekindle economic growth on the continent (Parry, 1966; Walker, 1979; Woodfine, 1998).

Spanish America was a colonial market eager for English woolens, Britain's main manufacture, and Britain wanted a share of its trade (McLachlan, 1940: 12–13). British products reached Spanish America thanks to the significant British merchant community in Cadiz, which imported goods from Britain and then sold them to Spanish merchants sailing to the colonies. Nonetheless, British trade in Spain was cumbersome due to infrequent galleon sailings and to heavy taxation and corruption (McLachlan, 1940; Pares, 1936).

There was also a legal slave trade between the two colonial powers. In 1716, in order to meet the growing need for plantation workers in the New World, Spain signed the *Asiento* Treaty, which allowed one British ship to sail to the Spanish colonies every year and sell slaves directly to the settlers.¹⁴ Britain entrusted the *Asiento* trade to the South Sea Company, one of the many state-owned oceanic trading companies.

Although the Spanish believed that the annual *Asiento* trade was highly profitable for the British (Kamen, 2003: 471) and resented it as a necessary evil (Woodfine, 1998: 80), the *Asiento* trade was not particularly profitable for Britain. It suffered from high duties, a poor financial policy, impediments from Spanish officials, and competition from the illegal trade (McLachlan, 1940: 23; Pares, 1936: 11). Despite the annual privilege, there were only eight British sailings to New Spain under this treaty between 1717 and 1733 (Anderson,

1976: 293). McLachlan (1940: 28–29) describes this treaty as ‘a commercial illusion’ and ‘a fruitful source of political disputes.’ Thus, in spite of opportunities to trade legally, Britain also had good reasons for wanting a direct share of the trade with Spanish America.

Illegal trade with the Spanish colonies provided such direct access. Spain’s inability to enforce its colonial monopoly effectively created many profitable opportunities for illegal trade (Lanning, 1936; Pares, 1936). Still, the economic stakes of this illegal trade were small relative to those in the Anglo-French rivalry, and they were not a major factor leading up to the Anglo-Spanish war. The larger threat for Britain was France, a rising economic power with its own commercial ambitions to overtake the Spanish Empire.

The Anglo-French commercial rivalry

The competition for empire between Britain and France was a central theme in 18th-century international relations. As McLachlan (1940: 1) argues, ‘the heroic struggle for colonial power between Great Britain and France dwarfed the parallel conflict between Great Britain and Spain.’ Britain and France had the same leading export sectors (sugar and textiles), which created intense competition through tariffs, trade prohibitions, and attempts to encourage migration of skilled labor from each other (Conybeare, 1987: 138). The zero-sum conception of trade held by each further intensified the economic competition. The British were particularly concerned with the possibility of French encroachment on the Spanish colonial market, and they sought anything (such as the *Asiento* Treaty) that could give them an advantage in this competition.

Britain had good reasons for concern: Spain had extensive trade with France (Anderson, 1976), and the French were constantly trying to use Philip V’s Bourbon family ties to gain preferential access to the galleon trade for their manufactures and to protect their own illicit trade with New Spain (McLachlan, 1940: 38–39). Diplomatic relations influenced short-term commercial relations. An increase in French influence in Spain hurt British traders in Cadiz, while the Spanish toleration of British smuggling in the West Indies between 1732 and 1737 reflected the rapprochement of the two crowns (McLachlan, 1940: 91–94).

In spite of their commercial rivalry, Britain and France were allies from 1716 to 1731, largely because of the vulnerability of the Hanoverian dynasty’s continental possessions and the fragility of the Orleanist succession in France.¹⁵ Leaders of both states saw this alliance as a temporary diplomatic expedient (Black, 1986: 12–15, 19), however, and when Britain signed a treaty with Austria in 1731 without consulting France, relations deteriorated quickly. While British leaders viewed France as an ally whenever their balance of power calculus dictated it, British public opinion considered the French natural enemies, and distrust of France was a significant issue in British domestic policy (Black, 1986: 99–100). British mercantile lobbies also attempted to influence both public opinion and the ministers by highlighting the relationship between commerce and power, in the hope of making commercial competition with France a matter of national policy. However, in the late 1730s Britain was still unwilling to press France diplomatically over commercial issues. As Black (1986: 148) notes, ‘Trade as a political issue still meant in the 1730s trade with the Spanish Empire, but the increasing attention in the press to French commerce was indicative of a shift that were to take place in the following decade.’

Illegal trade, depredations, and war

The primary economic concern in the 1730s in British–Spanish relations was the illegal trade between British subjects and New Spain colonists. Spain tried to stop this growing contraband trade in the Caribbean with *guarda-costas*,¹⁶ who expanded their targets to include legal trade between Britain and its own colonies. This led to two ‘depredations crises,’ in 1729–31 and in 1738–39 (Woodfine, 1998: 88–89). The first did not escalate beyond petitions for compensation for lost ships and public outcry, and was followed by a lull in Spanish depredations in the early 1730s (Speck, 1977: 234), but the second crisis turned out to be much more consequential.

In 1738, British merchants, outraged by Spanish depredations, petitioned Parliament again to obtain restitution. After much negotiation, the crisis appeared to be resolved when the Spanish government agreed, through the January 1739 Convention of El Pardo (text in Woodfine, 1998: 251–255), to compensate Britain with £95,000 for the ships lost unfairly to *guarda-costas*. However, the British South Sea Company owed the King of Spain £68,000 duty money for the *Asiento* Treaty ships, and the implementation of the Convention of El Pardo depended on this British payment to Spain. The South Sea Company refused to pay its share, despite Walpole’s intervention (Woodfine, 1998: 204).¹⁷

The British public’s outrage at the Spanish depredations, combined with cabinet divisions and with a general belief that war with Spain in the colonies would be easy, pushed the country toward war. On the Spanish side, while the Florida–Georgia boundary was an issue of concern, as evidenced by the Spanish diplomatic efforts to link the depredations issue to settlement of those boundaries in North America, Spain repeatedly gave British negotiators assurances of their pacific intentions and pressed for a negotiated settlement to the Georgia dispute (Lanning, 1936: 113–115). However, Britain maintained its ship deployment in the Mediterranean even after the signing of the Convention, and Philip V took this as a provocation (Woodfine, 1998: 208–209). In retaliation, he suspended the *Asiento* (Speck, 1977: 234), which in turn led Britain to declare war in October 1739.

A conflict of irreconcilable national interests?

Many historians have interpreted the War of Jenkins’ Ear as the product of an irreconcilable conflict of national interests. Pares (1936: 59) argues that the British merchants only exploited wider discontent when complaining about depredations, and that ‘England and Spain could hardly coexist without conflict.’ Woodfine (1998: 86) adds that Spain’s ‘long-held belief in monopoly rights’ was incompatible with long-term harmony between Britain and Spain. The implication is that some sort of war between the two powers was inevitable, given conflicting strategic and economic interests. This view is consistent with a realist/mercantilist/economic nationalist explanation that emphasizes interstate competition for power and wealth. We first consider an interpretation based on the balance of power politics that provided the context for the economic rivalry, and then examine one that focuses more narrowly on the economic conflict itself, which reflects the above-mentioned argument that the war of 1739 was a pure trade war.

Balance of power politics

Europe was generally peaceful in the late 1730s, particularly after the effective end of the War of the Polish Succession in 1735. Woodfine (1998: 44–45) argues that ‘diplomats and ministers were generally optimistic,’ and ‘there was not the least thing stirring in Madrid’ as late as October 1737. The French rivalry with the Habsburgs, dominant in French foreign policy at the time (Black, 1999: 263), and the ‘*pacifist and cautious nature*’ of Cardinal Fleury (Wilson, 1936; Woodfine, 1998: 21) made France less of a threat to Britain.¹⁸ Black (1984: 151) emphasizes the ‘absence of any clearly perceived threat to British interests’ in the 1730s. Few observers in the 1730s would have predicted an Anglo-Spanish War.

Britain and Spain had no immediate territorial conflicts in Europe,¹⁹ and those in North America looked manageable. The British settlement of Georgia was resented by Spain, who owned the adjacent colony of Florida and had claims to some Georgian territory (Lanning, 1936), but Georgia Governor General Oglethorpe and the Spanish governor of the Florida Fort of St Augustine had agreed in 1736 to respect the boundary decisions made by their courts. The precise borders had yet to be discussed, but there was little fear in Britain of a Spanish invasion of Georgia (Woodfine, 1998: 82–83).²⁰ Moreover, the British merchants and sugar planters of Jamaica opposed the acquisition of more territory in the Caribbean for fear that increased competition from new plantations would depress the price of sugar (Dorn, 1940: 127; Pares, 1936: 12). Woodfine (1998:43) concludes that ‘there seemed reason to feel confident of peace.’

Temperley (1909: 197) argued that balance of power considerations played no part in the War of Jenkins’ Ear. In fact, balance of power logic provided strong incentives for peace in both Britain and Spain. In the context of the growth of French power, the military vulnerability of Hanover,²¹ Britain’s diplomatic isolation after its neutrality in the War of the Polish Succession (despite its treaty with Austria), and its unsuccessful search for allies (Kemp, 1976: 70; Williams, 1962: 206), an Anglo-Spanish war could be quite risky for Britain because it could draw in France, both in the colonies and on the continent. In fact, Walpole and the ministry expected that France would enter an Anglo-Spanish war, certainly after any British territorial conquests at Spain’s expense and probably after British seizures of Spanish ships carrying French goods (Anderson, 1995; Lanning, 1936: 158; Parry, 1971: 110). With substantial costs and risks associated with war, and with few anticipated benefits, prudence required caution and compromise rather than a belligerent policy toward Spain.²²

Walpole had long believed that peace served British interests better than war, and he had resisted repeated pressures to resort to military force, whether to support the Austrians in Italy against Spain or to intervene in the War of the Polish Succession. Walpole made every effort to end disputes with Spain (Black, 2001; McLachlan, 1940: 110–114; Pares, 1936: 57; Wood, 1973). ‘A war with Spain,’ he argued, ‘would on our parts be unjust, and, if it is unjust, it must be impolitic and dishonorable’ (in Williams, 1962: 209). Walpole’s national interest-based motivation for peace was reinforced by his belief that peace also would serve his interests in retaining power (Dickinson, 1973; Wood, 1973) and his hope of maintaining the unity of the Whig party (Black, 1985). Black (2001: 116) concludes that Walpole saw war as a ‘threat to the political order.’

Similarly, Spanish leaders believed that war would be harmful to Spanish interests. The Spanish desire to settle the Georgia–Florida boundary issue through negotiations confirms the British view that ‘Spain was never in a worse condition for attacking the English’ (Lanning, 1936: 114, 139). While French support undoubtedly reinforced Spain’s refusal to make further compromises (Lanning, 1936: 162), Woodfine (1998: 155) blames Spanish pride for Spain’s hard-line stance.

A dyadic economic explanation

The absence of compelling strategic motivations for war on either side has led scholars to focus on the commercial roots of the War of Jenkins’ Ear. Dorn (1940: 126) is not alone in describing the war as the ‘purest trade war.’ Anderson (1976: 290) argued that the war was ‘provoked solely by commercial and colonial rivalries’; Pares (1936: 126) saw this conflict as ‘unmistakably a war for trade’; and Luard (1992: 217) argued that the war ‘resulted mainly from commercial differences.’ Temperley (1909: 197) stated that the war of 1739 was ‘a turning point in history,’ the first English war in which ‘the trade interest absolutely predominated, in which the war was waged solely for the balance of trade rather than for balance of power.’

Although these arguments are correct to emphasize the important role of commercial conflicts in the processes leading to the War of Jenkins’ Ear, they are wrong to suggest that trade was the only or primary cause of the war. True, the war almost certainly would not have occurred in the absence of commercial conflicts, given the restraining effects of balance of power logic in the context of the 1730s. The dyadic economic conflict between England and Spain was a necessary condition for war, but it was not sufficient.

Domestically, war would have losers as well as winners. Economic pressures against war countered to some extent economic pressures for war. British trade with Spain on the continent, the legal trade to Spanish colonies through the British merchants in Cadiz, and the illegal trade were each quite profitable, which increased the opportunity costs of war (Russett and Oneal, 2001). The profitability of the illegal trade as a reason for keeping peace with Spain is evidenced by the reactions to the first depredations crisis in 1729–31. The British viewed the depredations as a small price to pay for such large profits, ‘a kind of tax on the immensely profitable smuggling trade’ (Woodfine, 1998: 92).²³ The Spanish galleon trade also included a large share of British products routed through the British merchants in Cadiz.

Britain and Spain also conducted a mutually profitable continental trade. Although the balance of the continental trade favored Britain, Britain was the largest importer of Spanish goods — including ‘cheap luxuries’ such as wine, oil, and fruit — which minimized the loss of treasured Spanish bullion. The trade with Spain supplied Britain with raw materials (wool and dyes, for example) and provided markets for manufactures (such as textiles), and thus fit the mercantilist ideal. Consequently, the British regarded their Spanish trade as ‘the best flower in our garden’ and ‘the Darling and the Silver Mine of England’ (McLachlan, 1940: 6). Based on the experience of past wars with Spain, British leaders feared the opportunity costs resulting from the interruption of this trade by war and from the potentially severe disruptions of the British economy that would

follow (McLachlan, 1940: 16–19). Walpole feared that Anglo-Spanish trade would suffer after any war while Franco-Spanish trade would flourish (Black, 1986: 27, 37).²⁴ Thus Britain had economic incentives to avoid provocations that might escalate to a costly war.

The Convention of El Pardo demonstrated that trade disputes could be contained. While the Convention left some issues to be solved later (especially the Georgia–Florida boundaries), it solved the specific depredations dispute that started the crisis. The main issue that the Convention did not solve was Spanish insistence on the right to search, which engaged British identity politics, generated widespread resentment, and constituted a source of repeated friction.²⁵ This was a difficult issue, but political leaders tried hard to solve it and very nearly succeeded. Lindsay (1970: 206) concludes that ‘in spite of the popular clamor the responsible ministers both in England and Spain did their best to avoid war.’ Similarly, Woodfine (1998: 244) argues that ‘the complex negotiations over smuggling and depredations and trading debts very nearly succeeded in producing a workable commercial and diplomatic settlement. It was not inevitable that conflict over overseas rights and territories would lead to war.’

We have argued that neither conflicts of state strategic interests nor economic interests can fully explain the outbreak of the Anglo-Spanish war of 1739. It was only in conjunction with domestic pressures in Britain that Anglo-Spanish commercial conflicts contributed to war.

British domestic politics

Although British strategic and economic interests did not require war, and although first minister Walpole forcefully opposed the war, various domestic pressures — merchants, the public, and the parliamentary opposition — combined with a divided ministry and crown to lead Britain to war. We argue that none of these factors individually was enough, combined with the economic rivalry, to overcome Walpole’s opposition to war, but that the combination of all of them was sufficient to lead Britain to war.

Merchants

British merchants believed that the growing trade imbalance between Britain and its competitors was the result of French and Spanish economic ambitions, and they bombarded Parliament with memorials, addresses, and petitions against the Spanish depredations. By summer 1739 merchant lobbies throughout the country were advocating war (Wilson, 1988: 78–79).²⁶ They touted British mercantilist doctrine on the mutually reinforcing nature of mercantile and state interests²⁷ and the prevailing belief that ‘a rising trade may be ruined by a war, a sinking trade has a chance to revive by it’ (Pares, 1936: 62). Believing that British trade with Spain was stagnant or in decline while French trade with Spain was rising, merchants expected that a war with Spain would simultaneously revive the British trade and destroy the French one.²⁸

Most but not all merchants shared these beliefs. The traders in Cadiz, who depended on good Anglo-Spanish relations for their ability to upload British merchandise onto Spanish galleons, were afraid that a war with Spain would be ruinous.²⁹ The traders in Cadiz were less influential in Parliament than merchants trading directly with the colonies, however,

in part because those traders were usually Catholic or Jewish and consequently regarded with suspicion in Hanoverian Protestant Britain (Pares, 1936: 61). Even among the merchants living in Britain or in the colonies there was also frequent disunity on trade and colonial issues. As Brewer (1989: 170) argued, commercial factions ‘competed as much with one another as with their foreign rivals.’

Despite their differences, many merchants shared a growing concern about French and Spanish threats to Britain’s commercial pre-eminence, and increasing dissatisfaction with the passivity of the government’s policies (Wilson, 1988: 97). These shared concerns converged in the depredations issue, creating a common merchant pro-war front. Many different types of merchants, from the lowest shopkeeper in the provincial areas to the wealthiest overseas trader, benefited from foreign trade, allowing the formation of an all-encompassing ‘trading interest.’ Moreover, manufacturers and industrialists also supported overseas trade and war, believing in trade’s beneficent effects in diversifying the manufacturing interest, and in war’s ability to depress the French cloth trade (Wilson, 1988: 102).³⁰

The influence of the merchants was limited, however, because foreign policy was the prerogative of ministers and monarchs, who were more concerned with the balance of power on the continent and the rising power of France. Brewer (1989: 170), for instance, notes that ‘almost all members of the executive gave precedence to Europe before the rest of the world and placed power before profit. Trade and commerce, especially in the colonies, were of secondary importance.’³¹ The opposition and the mercantile lobbies recognized this, and repeatedly complained that the government did not care about Britain’s commercial interests (Black, 2001; Brewer, 1989).

Ministers also resented the idea that commercial lobbies might dictate policy, and saw their role instead as providing informed advice (Brewer, 1989: 232). Walpole frequently disparaged merchants publicly, naming them ‘sturdy beggars’ for opposing his excise tax proposals (Wilson, 1988: 101). Mercantile interests would not have been successful in advancing their objectives in the absence of other factors, including the political opposition’s virulent anti-government attacks and their mobilization of public support. The commercial rivalry was a necessary condition for war, and mercantile pressure significantly increased the probability of war, but these two factors were not jointly sufficient for war.

Public opinion

Public opinion reflected merchant interests. The ‘public opinion’ significant in the depredations crises refers to London’s ‘politically sophisticated community ... [of] wealthy merchants, civic leaders, craftsmen and traders, publishers, coffee-house news readers’ who constituted ‘the visible crests of a wave of protest, under which rose the unseen but still dangerous swell of the mob’ (Woodfine, 1998: 150). Stories of British sailors rotting in Spanish jails, rather than economic fundamentals, inflamed much of the British public opinion. Stereotypes of the Spanish were rampant. The British believed that the Spaniards were cruel, cowardly, and inferior (Temperley, 1909: 197; Woodfine, 1998: 177–178), stereotypes that were amplified through numerous pamphlets, caricatures, and articles in opposition newspapers such as *The Craftsman*. The public believed

that a naval war could be entirely financed by seizure of booty, and, as a result, the public mood was 'too violent to be easily satisfied' (Woodfine, 1998: 170). The declaration of war brought 'wildly joyful celebrations' all over the country, 'more appropriate to a national victory than a declaration of war' (Wilson, 1988: 80).

The extent of societal influence on government decisions reflected the opening of British political society at the time (Colley, 1981; Wilson, 1988). The spirit of free inquiry animated London, and Englishmen regarded constitutional government with national pride. Arts and philosophy (such as the works of Jonathan Swift, John Locke, and David Hume) reflected political commentary. The most notable expression of the freedom of speech was the flourishing of 'street politicking' (Wilson, 1988: 75) hosted by coffee houses and fueled by newspapers, and the 'bourgeois petitioning and plebeian crowd activity' (Dickinson, 1984: 47). It was considerations such as these that led Edmund Burke to conclude, a half-century later, that the war of 1739 with Spain was Britain's only 18th-century war to be 'the fruit of popular desire' (cited in Woodfine, 1998: 241).

Given the commercial rivalry and the merchant lobbies, public pressure added significantly to the likelihood of war, but these factors were not jointly sufficient for war, especially given the opposition of first minister Walpole. A decision for war is difficult to imagine in the absence of pressure from Parliament, whose growing role in foreign policy was another manifestation of the political opening in British society.

Parliamentary politics

The British parties of the early 18th century were not cohesive like present-day parties. Black (2001: 2) refers to them as 'developing political groups,' fluid political factions formed around individuals rather than around clearly defined political ideology or policy, though they were broadly divided by religion and by the degree of opposition to the French.³² The Whigs, who rose to power after 1714, splintered during Walpole's regime, when a sizeable and vocal opposition group of 'Patriots' formed inside the party (but also included some dissident Tories). The Patriots emphasized the pursuit of the national interest as opposed to private or party interests; a foreign policy based on political, religious, cultural, and economic hostility to France; and the elimination of corruption in government.

The anti-corruption theme started as personal attacks against Walpole in the 1720s, but was gradually linked to more fundamental beliefs about limiting the power of the state and to a reaction against the patronage machine typical of government at the time (Brewer, 1989: 156–157; Woodfine, 1998: 13–14, 52). Walpole's conciliatory policies toward Spain provided fertile ground, by the time of the second depredations crisis, for the charge of failing to protect Britain's national trading interests in negotiations with Spain. The opposition deftly used the unifying cry for war from the public and from the merchants, together with charges of corruption, to gain the favors of public opinion, and to mount more effective attacks against Walpole. For instance, Jenkins' pickled ear, although severed by the Spanish in 1731, was used to great effect in a House of Commons debate in March 1738 (Woodfine, 1998: 1–2). The image of Parliament responding to the public debate enhanced the perceived legitimacy and influence of the opposition (Black, 1985: 167; Williams, 1962: 205).³³

The opposition to Walpole was led by Frederick, the Prince of Wales, who was publicly on bad terms with his father, George II. Under the leadership of the popular prince, the opposition literally formed a rival Court, which dedicated itself solely to attacking the king and his ministers. This conferred unity to politicians with otherwise varying aims (Black, 2001: 164; Woodfine, 1998: 124).

It is hard to imagine war in the absence of the push from the impassioned and politically skillful opposition. As Pares (1936: 59) commented, 'it was not the Government but the Opposition that made the war.'³⁴ At the same time, it is quite unlikely that Parliament by itself, without support from merchants and public opinion, would have been able to impose war on a resistant first minister. Parliament provided a forum for policy debate, and parliamentary committees occasionally examined the content of past treaty negotiations (for example, the Treaty of Utrecht). Foreign policy was clearly the prerogative of the king and his ministers, however, and parliamentary support was not required for signing treaties. The parliamentary opposition did not prevent the signing of the Convention of El Pardo, but it helped to undercut the government's ability to maintain the compromise agreement. Merchant lobbies, parliamentary opposition, and public opinion affected escalation by interacting with two other factors: a divided cabinet and the monarchy.

Cabinet and monarchy

Woodfine (1998: 75) notes that the vehemence of the merchants' protest to the Spanish depredations and its public following 'found the government surprised and divided.' Secretary of State Newcastle, who had previously been 'Walpole's docile henchman' (Speck, 1977: 232; Williams, 1962: 186), bent to the pressure of public opinion regarding the war and opposed Walpole on this issue (Pares, 1936: 44–47; Temperley, 1909: 201; Woodfine, 1998: 71, 165, 208).

Walpole still believed that the Spanish, having agreed to compensation, would try to curb excesses in their right to search (Williams, 1962: 209). However, the death of Walpole's wife in the summer of 1738 left him less energetic, less eager to confront Newcastle, and more concerned about maintaining cabinet unity (Woodfine, 1998: 152–153). Newcastle provided the trigger for war, by countermanding the orders to the British fleet in the Mediterranean to return home, just as Britain had reached a provisional agreement with Spain. Newcastle was afraid of losing office if he did not respond to public sentiment, and he believed that a strong resolve in the conflict with Spain would appease parliamentary opposition (Woodfine, 1998: 216).³⁵

The cry of the merchants reached not only Parliament and the government, but also the throne.³⁶ In the context of cabinet divisions, the King's preoccupation with public opinion, which had little regard for the Hanoverian monarchy, had a significant impact on the choice of war over settlement (Woodfine, 1998: 101). In general, George II, due to his Hanoverian connection, was more concerned with Prussian intentions than with maritime disputes (Black, 1984: 153; Kemp, 1976: 75). George II relied heavily on an inner circle of two or three ministers, and he usually had unreserved support for Walpole (Kemp, 1976: 61). His opinions had considerable influence in government, however, and he saw the Convention of El Pardo as the 'chief business of his government' in January

1739 (Woodfine, 1998: 188).³⁷ When the depredations became a major political issue in 1737, he promptly instructed the ambassador to Spain to secure redress, and when faced with cabinet divisions the King took the side of public opinion, in order to avoid ‘losing face by delay’ (Woodfine, 1998: 98, 101). George II’s estrangement from his son, and the opposition’s gathering behind the Prince of Wales, also helped to convince the King to overrule Walpole’s opinion on the war, unlike on previous occasions.

The escalation of a commercial rivalry: An analytic summary

A number of leading historians argue that the War of Jenkins’ Ear was a ‘pure trade war.’ Although the proponents of the ‘pure trade war’ thesis do not define the concept, they strongly imply that the trade conflict between Britain and Spain was a necessary condition for war and that other factors had a minimal causal impact. A stronger version is that the combination of the dyadic trade conflict and political pressure from domestic mercantile groups was sufficient for war.

We agree that the commercial rivalry between England and Spain was a necessary condition for war in 1739. An Anglo-Spanish war was inconceivable at that time in the absence of the economic rivalry. Neither balance of power considerations nor territorial conflicts provided either side with incentives for war. Britain in particular had strong incentives for peace. Domestic mercantile interests in Britain exploited the economic rivalry and agitated for confrontation with Spain, providing an important factor in the processes leading to war.

Nevertheless, economic rivalry and mercantile pressures were not jointly sufficient for war. Merchants worked closely with the parliamentary opposition, who used the depredations crisis for its own political advantage, and both exploited a domestic public motivated by a particular conception of British identity. The pressure for war succeeded only because the king, sensitive to public opinion and enabled by a divided cabinet, was willing to overrule his first minister, who strongly opposed war. Together, all of these factors were jointly sufficient for Britain’s decision for war, despite Spanish willingness to compromise. Thus, a full understanding of the escalation of the Anglo-Spanish commercial rivalry must incorporate a complex configuration of domestic political factors as well as the Anglo-Spanish economic competition.

One key mechanism underlying decision-making in Britain involved the effectiveness of merchants in linking their own parochial economic interests with popular visions of the national interest. Merchants skillfully used British mercantilist doctrine to emphasize the mutually reinforcing goals of profit and power and the cooperative relationship between government and mercantile interests. They used the image of Britain as the leading trading nation to argue that pursuing the nation’s benefit meant serving colonial merchant interests (Coleman, 1980: 790).

British merchants and opposition politicians were also quite skillful in linking Spanish depredations and the right of search to emerging conceptions of British identity centered on imperial pride, which increasingly incorporated an expansive view of liberty. It was widely believed that economic growth was the result of the freedoms inscribed in the constitution (Speck, 1977: 2), whereas France and Spain’s Catholicism and absolutism would produce slavery and poverty. Liberty also meant freedom from government.

Britons regarded the growth of the bureaucracy, especially when connected to charges of corruption and patronage levied against Walpole, as a threat to liberty (Speck, 1977: 2–5).³⁸ These arguments played particularly well after a lengthy governing period of an unusually powerful first minister.

The distinctive British mercantilist doctrine emphasizing the symbiosis of mercantile and state interests, and the emerging British nationalism centered on liberty, allowed merchants and opposition leaders to frame Spanish depredations and insistence on the right to search as an affront to British liberties and economic well-being. This was a ‘politically convenient discourse of national interest’ (Black, 1999: 266) that created, for the first time in British politics, ‘a potentially self-sustaining popular politics’ (Wilson, 1988: 109). Uniting opposition to government power and opposition to the right of search at sea under the banner of liberty allowed merchants and politicians to generate a powerful push toward war, in the context of a divided cabinet and a king receptive to public opinion.

A brief comparison with the Anglo-Dutch rivalry

The processes leading to the War of Jenkins’ Ear in many respects resemble those contributing to the escalation of the Anglo-Dutch rivalry to war nearly a century before. In each case, the push to war came primarily from the British side, with their Dutch adversary in the 1650s and subsequently their Spanish adversary in the 1730s making substantial concessions before reaching a point past which they perceived further concessions to be diplomatically unwise and domestically disastrous. Historians have described each as a ‘pure trade war.’ We agree that the economic rivalry was a necessary condition for war in each case, but we argue that other factors had a critical impact. In addition, the specific causal paths leading to war were different for each of these rivalries.

In the Anglo-Dutch rivalry, it was nearly impossible to disentangle commercial interests from strategic interests. As a growing commercial and naval power, England defined the freedom of the seas as a vital interest. For the Dutch, access to the fisheries, which were the backbone of their economy, was a matter of survival (Holsti, 1991: 57; Kennedy, 1987a: 51; Wilson, 1957).³⁹ In the Anglo-Spanish case, however, state strategic and economic interests were not mutually reinforcing to the same extent. For Britain, *realpolitik* considerations created incentives for peace rather than for war. It is significant that Walpole and most of his ministers, who thought in *realpolitik* terms, favored a policy of conciliation toward Spain.

Britain and Spain had real commercial disputes in the West Indies in the 18th century. For Britain, however, the economic issues at stake were not critical for the English economy and were less closely coupled with strategic issues. Britain’s simultaneous commercial conflicts with France had closer links to strategic issues. True, Spain’s insistence on the right to search derived from its economic dependence on its colonial empire, but Spanish leaders were repeatedly ready to compromise. It was Britain who initiated the war, due to popular attachment to the amorphous concept of ‘liberty’ as part of British identity, and not to a strategic threat to the country’s global position. Strategic logic had a greater impact on the escalation of the Anglo-Dutch rivalry than on the Anglo-Spanish rivalry.

Another important difference in the two cases is that the Anglo-Dutch commercial rivalry escalated into a strategic rivalry, which then escalated to war, whereas the

Anglo-Spanish commercial rivalry escalated directly to war without passing through the intervening stage of a strategic rivalry. This constitutes an analytically distinct causal path to war. What is even more interesting in the Anglo-Spanish case is that the escalation occurred despite the absence of a strong conflict of economic interests. The non-critical nature of the economic issues at stake is suggested by the fact that British and Spanish leaders had successfully managed the economic rivalry throughout the 1730s, including the depredations crises of 1729–31 and 1738–39. This demonstrates that even relatively insignificant trade issues can play a significant role in the processes leading to war, given particular configurations of domestic factors. This serves as a cautionary tale for the contemporary world.

The causal impact of domestic politics was qualitatively and quantitatively different in the two cases. While in the Anglo-Dutch rivalry, domestic politics played an important role and certainly increased the probability of escalation to war, domestic politics was not a necessary condition for war. One can at least imagine the Anglo-Dutch rivalry escalating to war in the absence of domestic pressures, given the close coupling of economic and strategic issues. If a war had not occurred in 1652, the probability of war would have remained high.

The weaker linkage between economic and strategic issues in the Anglo-Spanish rivalry makes it much harder to imagine an escalation to war in the absence of domestic political pressures. In 1739, the confluence of a commercial rivalry, parochial economic interests, public attitudes, parliamentary politics, and a divided cabinet and monarchy combined to force war upon a political leader who had repeatedly used his power in the past to avoid war and who believed that once again British interests would be best served by peace. There were several points at which modest changes in the relationships among these various domestic factors could have led to a different outcome, breaking the causal chain from commercial rivalry to war. The merchant and parliamentary agitation for war, along with the support of public opinion, might not have led to war were it not for Walpole's weakness and divisions in the cabinet, as evidenced by the failure of the merchant-opposition coalition to provoke war in the first depredations crisis. In addition, Newcastle's opposition to Walpole's conciliatory policies would have been insufficient for war in the absence of the king's decision to follow Newcastle on this issue. These considerations lead us to conclude that the war of 1739 was more contingent than that of 1652.

Conclusions

This study of the Anglo-Spanish rivalry of the 18th century, along with our brief comparison with the Anglo-Dutch rivalry of the 17th century, has important implications for the more general relationship between economic rivalry and war. Not all wars involve economic rivalries, and not all economic rivalries lead to war. Our aim has been to identify the multiple paths through which commercial rivalries might lead to war, and to use the Anglo-Spanish rivalry as a vehicle for exploring some of those causal paths.

One path from commercial rivalry to war, often associated with realist or mercantilist theory, involves a straightforward competition for power and wealth between states, in which economic and strategic interests are nearly inseparable and in which domestic factors

play a minimal role. In a second path, often associated with a Marxist or domestic pressure group model, domestic interest groups motivated by the pursuit of private profit are sufficiently powerful to influence state leaders to adopt confrontational policies that lead to war. Either, alone or in combination, could fit the concept of a 'pure trade war' that historians have applied to both the Anglo-Dutch and Anglo-Spanish rivalries. A motivating factor behind this study, however, was the suspicion that neither variation of the pure trade war hypothesis adequately captures the processes through which many commercial rivalries escalate to war. We identified a third path, one in which a much more complex array of domestic groups and institutions play an important causal role in the evolution of commercial rivalries.

We argued that the Anglo-Spanish rivalry of the 18th century falls into this third path. The commercial rivalry and pressure from domestic economic groups made war a real possibility, but these factors were not jointly sufficient for war. The parliamentary opposition, a xenophobic public opinion, a divided cabinet, and crown politics each played an important causal role. Indeed, in their absence an Anglo-Spanish war would not have occurred.

Our case study suggests a number of hypotheses that would be useful to examine in subsequent research on a broader number of cases of commercial rivalries. First, commercial rivalries can escalate to war in the absence of serious conflicts of state strategic interests. In the Anglo-Spanish rivalry, strategic considerations created incentives for peace rather than for war. Domestic pressures forced the Walpole ministry into a war that on strategic grounds it preferred to avoid. Second, a commercial rivalry can escalate to war without first developing into a strategic rivalry. Although the 17th-century Anglo-Dutch commercial rivalry escalated to war through the intermediate stage of a strategic rivalry, the Anglo-Spanish rivalry did not pass through such a stage on the road to war in 1739. Third, interstate conflicts of economic interests do not have to be particularly intense for a commercial rivalry to escalate to war. In the Anglo-Spanish case, the Convention of El Pardo had settled the economic issues in dispute in January 1739. A fourth hypothesis is that domestic economic interests that favor war are significantly more likely to be successful if they can work with other domestic groups and use public opinion to their advantage. The particular complex configuration of domestic groups in England pushing for war in 1739 may have been unique, but other combinations of domestic factors could have the same effect in other cases.

These are general hypotheses that need to be explored more fully in the analysis of a broader range of cases of commercial rivalries — those that lead to war as well as those that do not. These hypotheses raise other questions as well. In the context of a commercial rivalry, how do the motivations of power, wealth, and private interest interact? How important is economic ideology? To what extent are domestic economic interests divided on the issue of war and peace, how do coalitions form, and through which processes in various types of regimes does each coalition attempt to influence state policy? The study of economic rivalries is in an early stage, but the question of the conditions under which economic rivalries do or do not escalate to war is important for contemporary policy as well as for history and theory.

Notes

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1. Colaresi (2005); Colaresi et al. (2007); Diehl (1998); Diehl and Goertz (2000); Hensel (1999); Maoz and Mor (2002); Thompson (1995, 1999, 2006); Vasquez and Leskiw (2001).
2. Barbieri (2002); Brooks (2005); Buzan (1984); Copeland (1996); Gowa (1994); Kirshner (2007); Lobell (2005); McDonald (2009); Mansfield and Pollins (2003); Narizny (2007); Russett and O'Neal (2001); Schneider et al. (2003).
3. We define rivalry as a relationship that is competitive, hostile, sustained, non-anonymous (which excludes competition in a market), and self-conscious. This incorporates economic as well as strategic rivalries (Levy, 1999: 173–175).
4. Although some scholars posit multiple paths to war (for example, Senese and Vasquez, 2008), the concept of a 'causal path' remains theoretically underdeveloped. At a minimum, it implies several different combinations of variables (and not just a sequence of historical events) that can lead to a particular outcome (Levy and Thompson, 2010). In 'multiple conjunctural causation' (Ragin, 1987), for example, outcomes are the product of a complex combination of necessary and sufficient conditions, and a causal path is implicitly defined as a set of jointly sufficient conditions for an outcome.
5. One advantage of hypothesis generation in a single case, besides more detailed process tracing, is that it leaves more cases for hypothesis testing, which can be important where the universe of cases is relatively small (Levy, 2008a: 8).
6. Although the Anglo-Spanish war left the Spanish colonial empire intact, it had important consequences. Internally, it played a key role in the articulation of British national identity by linking imperial pride and the belief in freedom. Externally, the Anglo-Spanish war merged with the War of Austrian Succession after Prussia's invasion of Austria in 1740. This was a major escalation of the Anglo-French competition for empire and contributed to the outbreak of the Seven Years' War in North America (the French and Indian War) in 1755, which established Britain as the leading maritime power in the world until the 20th century.
7. We use 'necessary condition' to apply to a factor that was necessary for the outcome in this particular case, not for all wars. This case-specific use of the necessary condition concept is common practice among case study researchers (Goertz and Levy, 2007), though evaluating necessary condition counterfactuals (if not *x*, then not *y*) involves difficult analytic issues (Levy, 2008b). Mahoney and Goertz (2006: 232–234) articulate the increasingly common argument that 'qualitative researchers often think about causation in terms of necessary and/or sufficient causes.' Few students of war think there are any non-trivial necessary conditions for war in general, but many identify necessary conditions for particular cases (the role of George W. Bush in the 2003 Iraq war, for example). A factor may be necessary for an individual causal path but not for the outcome itself. This is an 'INUS' cause, which is 'an insufficient but necessary part of a combination of factors that is unnecessary but sufficient for the outcome' (Mackie, 1965: 245).
8. Walpole is considered Britain's first (and longest-serving) prime minister, though the formal title did not exist at the time.
9. Ross (2009) analyzes the role of domestically driven 'naval nationalism' in the likely emergence of a US–China naval rivalry.

10. For a hypothetical account of the militarization of the US–Japanese economic rivalry see Friedman and Lebard (1991). The authors thank Jitsuo Tsuchiyama, Takako Hikotani, and Philip Streich for their suggestions regarding contemporary Japanese writing about the Anglo-Dutch rivalry.
11. This was a ‘triangular rivalry’ (Thompson, 1999: 20). Britain was also engaged in a rivalry with the United Provinces (Black, 2007).
12. There were several types of monopolies: colonial monopolies such as Spain’s in Spanish America, monopolies over certain commodities or areas entrusted to chartered companies (for example, East India Company), and monopolies over trade routes (Luard, 1992).
13. Colonies supplied precious commodities, reduced the need for outside imports, and provided markets for manufacturers of the mother country (Luard, 1992).
14. The Treaty was an exception from the otherwise strict Spanish doctrine of colonial monopoly.
15. Louis XV was only five years old when Louis XIV died. He faced Philip V’s rival claims to the throne.
16. These were mainly privateers who kept most of the prizes from captured ships (Dorn, 1940: 124).
17. Some historians believe that the specific commercial reason for the War of Jenkins’ Ear was not the smuggling trade, but the perennial conflict between the South Sea Company and the Spanish king (Temperley, 1909: x–xi).
18. Cardinal Fleury was chief minister in France.
19. Gibraltar was a central issue in finalizing the Treaty of Seville (1729), which ended the 1727–9 war between Spain, Britain, and France. Spain temporarily set aside its unhappiness about Gibraltar in the 1730s in exchange for British support for inheritance of the Duchy of Parma by the son of the Spanish queen (Lodge, 1933: 36).
20. For a contrary view see Sturgill and Turner (1976: 129), and for a response see Woodfine (1998: 132).
21. In 1738, the British envoy in Berlin was told that an invasion of Hanover ‘would only be a breakfast’ (in Black, 1984: 154).
22. Historians have explained the French decision not to enter the war of 1739 in terms of France’s primarily European orientation and its focus on its long-standing rivalry with Austria (Black, 1986: 40–42; Simms, 2007: 278), Britain’s limited territorial advances in the War of Jenkins’ Ear (Simms, 2007: 278, 281), Cardinal Fleury’s fear of escalation to a general European war (Lenman, 2001: 63; Simms, 2007: 279; Woodfine, 1998: 21), and Fleury’s hope to use France’s leverage to extract an advantageous commercial treaty from Spain (Lenman, 2001: 63; Williams, 1962: 232).
23. One estimate puts the losses due to depredations at most to 2.5 percent of the value of the West Indian trade (Woodfine, 1998: 92).
24. British merchants had different expectations, as we describe later.
25. The rules of fair sailing raised difficult issues. Because Spanish *guarda-costas* could not enforce the whole length of the islands’ coasts from inland, Spain argued that British ships had a right to travel only on a ‘due course’ to their colonies and could be searched if encountered at a ‘suspicious latitude,’ which might suggest they had picked up cargo in some Spanish port. In practice, there were only two working routes for the Caribbean traffic, each of which came close enough to Spanish coasts to present the danger of search (McLachlan, 1940: 86–7). The British opposed the idea of the right to search in high seas. They believed this would restrict British navigation into predetermined lanes (Woodfine, 1998: 137) and tarnish Britain’s self-image of a dominating sea power based on free navigation.

26. The announcement of the Convention of El Pardo, which settled the Anglo-Spanish commercial conflict without war and without the repeal of the Spanish right to search, generated even more petitions and denunciations of government policy.
27. The British conception of mercantilism differed from the traditional mercantilist view that the power of the state was an end in itself and that the economy should be subordinated to the ability of the nation to wage war (Earle, 1986: 217, 260).
28. On future trade expectations, see Copeland (1996). On trade between rivals and between wartime enemies, see Levy and Barbieri (2004).
29. British trade with Old Spain dropped to about one-fifth of its previous value during the war (Pares, 1936: 24).
30. Given these shared concerns, Snyder's (1991) theory of logrolled coalitions does not explain the process.
31. This is an enduring theme in British foreign policy. Since the 16th century Britain had emphasized a 'blue water' strategy of naval and commercial strength over a 'continental commitment' (Brewer, 1989). When global economic interests came into conflict with European balance of power imperatives, however, the latter considerations nearly always prevailed (Black, 1984: 159; Viner, 1948; Wilson, 1988: 97).
32. Many Whigs were anti-clerical, some Tories were Catholic, and Whigs were more likely than Tories to perceive a strong threat from France (Black, 2001).
33. These attacks continued after the start of the war, and eventually led to Walpole's resignation (Black, 2001: 167).
34. This is a relatively rare and theoretically neglected path to war (Levy and Mabe, 2004).
35. The government gained only short-term benefits from the initiation of the war, and then suffered from opposition criticism for the poor conduct of the war (Black, 2001; Wilson, 1988).
36. The scarcity of sources on George II's reign precludes a definitive assessment of his role in foreign policy (Black, 1984: 152).
37. Walpole's support from the crown, which had helped to sustain his long term in office, was weakened by the death of Queen Caroline in 1737 (Woodfine, 1998: 55).
38. Patriot politicians extended the notion of corruption even to the 'moral corruption' of theatres (Speck, 1977: 5) and to crown influence on Parliament, which meant (in the case of Walpole) that a minister chosen by the King needed the confidence of the House (Kemp, 1976: 91–125).
39. As Kennedy (1987a: 48) argues, 'motives of prestige, power and profit are hard to disentangle in any period, but they seem particularly closely connected in the seventeenth century.'

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