ISSA Proceedings 2010 – Woodrow Wilson's Economic Imperialism

Woodrow Wilson, elected President of the United States in 1912, faced an unprecedented challenge during his time in office. With much of the European continent engaged in the largest war known to mankind, the Wilson administration was forced to make the difficult decision of whether to involve the United States in armed conflict. Initially Wilson's stance was to remain neutral, but over time, this changed. Historians have taken various positions when accounting for Wilson's policy decisions. Many writers contend that benevolence toward other nations was at the core of Wilson's policy proposals. According to Patrick Devlin, economics influenced his decisions, but Wilson's high-minded idealism ultimately guided his policy. For N. Gordon Levin, Jr., ideology served as the underlying factor that guided Wilson, but he argues that economic motives played a key role as well.

My aim is to further the debate regarding Wilson's decision to enter the United States into the Great War. To do so, I will proceed in two ways. First, I will examine what historians have said regarding Wilson and the driving forces behind his foreign policy. Second, I will "unmask" the public discourse of Woodrow Wilson and, following Kenneth Burke (1969), engage in "the use of rhetoric to attack rhetoric" in order to show how the motivating factor behind Wilson's policy proposals can be reduced to merely economic concerns (p. 99). In so doing, I discover the ways in which these economic motives can be couched, or eulogistically covered, by other aims. Additionally, the inherent contradictions in Wilson's discourse – and therefore policy – become even more apparent. What emerges I shall refer to as Wilson's "economic imperialism."

Once the conflict began in Europe in 1914, Woodrow Wilson advocated for American neutrality. This position became difficult, however, due to the fact that large amounts of American goods were being shipped to Europe, and these goods became vital to the warring countries. Yet the American shipping practices seemed to favor the Allies, and especially Great Britain, due to the advanced British naval fleet. Eventually, even William Jennings Bryan, then Secretary of State, accused the administration of favoritism. Furthermore, the use of

submarines by the Germans against American merchant ships provided a threat to American lives, and therefore to American neutrality. An especially important instance was the sinking of the *Lusitania* in 1915, which, according to Paul Birdsall (1939), had two effects on American neutrality – the resignation of Bryan and the appointment of Robert Lansing. Lansing held a belief that the United States would ultimately become allies with Great Britain, and Birdsall (1939) argues, “it was economic pressures that overwhelmed the policy” (p. 220).

In his account, Daniel Smith (1965) makes similar observations regarding the American policy of neutrality. Smith observes how American shipping favored the British, and he contends “Normal economic connections with England were quickened by war and the need of the Allies to purchase larger quantities of foodstuffs, raw materials, and munitions. Since the British controlled the seas, at least the surface, the Allies alone had continuous access to the American market” (p. 29). Smith (1965) considers this situation to be “apparently unplanned” yet “virtually unavoidable” despite the fact that Wilson grasped the importance of American trade with the Allies since he found the “Allied leaders” to be “more reasonable and trustworthy than their opponents” (p. 29).

Although Wilson continued to believe the United States could remain out of the war, he felt that after its conclusion, “The nations of the world must unite in joint guarantees that whatever is done to disturb the whole world’s life must first be tested in the court of the whole world’s opinion before it is attempted” (Robinson 1918, p. 348). In later addresses, Wilson furthers his theme of American exceptionalism and duty to the world when he remarks about how America should set “the great example”; for the destiny of America “is not divided from the destiny of the world; . . . her purpose is justice and love of mankind” (Robinson 1918, p. 359).

As the war, and especially the German submarine attacks, escalated, Wilson’s public statements changed. In an address to Congress on April 2, 1917, he stated, “The present German submarine warfare against commerce is a warfare against mankind. It is a war against all nations” (Robinson 1918, p. 384). These remarks indicate Wilson began to question his stance on neutrality. With the American entrance into the war looming, Wilson continued to make the case for service of the world when he noted, ““We shall fight for the things which we have always carried nearest to our hearts” – for democracy, for self-government, for the rights of small nations, for a concert of free peoples, for a world peace,” however when

questioned by opponents on his seemingly high-minded idealism, Wilson maintains, “We have entered the war for our own reasons and with our own objects clearly stated and shall forget neither the reasons nor the objects” (Robinson 1918, p. 396).

Wilson was not without critics, however. Opponents of Wilson’s decision to intervene in the European conflict “argued that war was unnecessary and charged that the nation was being propelled into belligerency by profit-seeking industrialists and financiers. The vote on the war resolution thus revealed substantial opposition, with six voting against in the Senate and fifty (to 373) in the House of Representatives. A state of war was formally declared on April 6, 1917” (Smith 1965, 80). For these critics, motives behind the administration’s policy proposals could be reduced to one factor – economics. However, historians merely hint at economics as a principle motive.

In his account, Patrick Devlin points out that a difference between neutrality and “non-involvement” became important at the outset of war, for neutrals are able to trade with belligerents under the assumption that trade will be fairly equal. However, Devlin (1975) notes that “American pre-war trade with the Allies was ten times as much as with the Central Powers” (p.173). Additionally, Devlin (1975) distinguishes trade in contraband from trade in intercepted contraband. Interception of goods became important, and a disparity existed since the use of German submarines – their main source of interception – was restricted. Trade with the Central Powers decreased while “United States trade with the Allies was enormously increased” by an estimated “184 percent” (Devlin 1975, p.174). Devlin (1975) then contends “If Germany’s power of interception by means of the unrestricted use of the submarine had succeeded” in decreasing trade, “the American economy would have been seriously affected” (p. 174). Devlin (1975) argues that the overarching question for the Wilson administration concerned the legality of neutrality. The question of non-involvement versus neutrality once again arose, and to justify the position taken by the Wilson Administration, Devlin (1975) relies on economic conditions to bolster his claims. Despite relying on economics to support his position, Devlin (1975) maintains that Wilson acted on his sense of America’s duty to the world, rather than merely economic means.

In order for the United States to maintain a neutral position, “America had to follow the law because there was no other test of impartiality” (Devlin 1975, p. 175). However, with the supply of arms, “the United States made no concessions

at all to German feelings" causing the Germans to conclude that the United States was assisting the Allies in their effort to starve Germany (Devlin 1975, p. 177). German-Americans plead for embargos to even out this trade disparity, yet, according to Devlin, Wilson followed the law which allowed the proposed embargos to die. By his reasoning, Wilson acted in accordance with the law since prohibiting the sale of arms to both sides would eventually benefit the side that had prepared for war. However, with the large trade disparity already in place, this position seems contradictory to the entire neutrality stance.

Devlin (1975) then changes course, and he argues that the United States was forced into the war through the use of German submarines, largely stemming from the sinking of the *Lusitania*. However, contradictions arose between the accounts given by the Germans and the Americans regarding this ship. The Germans argued the *Lusitania* was armed, was used as a transport for troops, and was carrying munitions that would be used to kill German soldiers. The Americans maintained the ship was not armed, was not used for troop transport, and had no munitions on board. Yet the ship sunk quickly, and no rebuttal was offered as to why the ship sank as quickly as it did. If the United States committed any of the acts of which they were charged by the Germans, their neutral stance would have been violated according to the law.

According to Devlin (1975), "between June 1915 and February 1917 the only issue between the United States and Germany concerned the American right to travel," a right Devlin notes, that is "surely of trifling value" (p. 341). Devlin's characterization is correct, and, I would argue, not a true reflection of the real issue faced by the Wilson Administration. Americans were losing their lives as a result of attempting to travel, and Wilson blamed the Germans for their submarine warfare. Yet despite his posturing, Wilson did nothing to combat this loss of American lives. After the sinking of the *Lusitania*, he claimed he needed an "overt act" to be committed in order for the United States to enter into the War. Eventually, Wilson got the overt act he needed – two ships were sunk that resulted in the loss of fifteen American lives. Interestingly, the sinking of the *Lusitania* took the lives of 124 Americans, and, according to Devlin (1975), "lit a flame of indignation that swept across America," yet Wilson did nothing (p. 216). Paradoxically, Devlin (1975) writes that "A single death could be eluded but not a massacre" (p. 216). Wilson failed to respond to the "massacre," yet a loss of fifteen Americans was enough to enter the war.

Eventually, Wilson's impartiality became obvious, and Devlin (1975) likens the British and the Americans to "two buddies getting together over the freedom of the high seas," which would maintain the trade status quo since the British controlled the seas (p. 343). While he hints at economic concerns playing a part in Wilson's decisions, Devlin (1975) remains firm in his commitment that Wilson embodied a high-minded idealism, in terms of doing right by the law, which sprung from a sense of American exceptionalism, and this idealism guided him when making policy decisions.

N. Gordon Levin, Jr. (1968) provides the most economically driven analysis of Wilson's foreign policy. He argues that policies were "shaped decisively by ideology" and the "main thrust, from 1917 on, may be characterized as an effort to construct a stable world order of liberal-capitalist internationalism" (Levin, Jr. 1968, p. 1). Wilson's response to German autocratic imperialism "sought to use America's moral and material power to create a new international order" whereby "America could serve mankind from a position of political and economic pre-eminence" (Levin, Jr. 1968, p. 7). However, Levin (1968) observes how "Wilsonians feared that unless America could remain in control of all progressive international movements, Leninist revolutionary-socialism might capture Europe's masses" in addition to destroying "all liberal values and institutions as well" (p. 8).

Analyzing policy that resulted only after the United States entered the war, Levin (1968) focuses on the paradoxical ideology espoused by Wilson; ideology which at "the heart of the matter" was "Wilson's conception of America's exceptional mission" which "made it possible for him to reconcile the rapid growth of the economic and military power of the United States with what he conceived to be America's unselfish service to humanity" (p. 8). However, Levin (1968) points out that this reconciliation worked better "in the realm of theory than in the universe of political and diplomatic action" (p. 8). Although Levin (1968) provides a critical account in terms of economic interests, his analysis, in the end, gives Wilson too much credit. Levin (1968) argues that Wilson was acting in response to German atavistic imperialism, and in making this claim, he provides a rationalization for Wilson's policy proposals under the guise of using liberalism to curtail revolutionary-socialism. Despite the increased level of abstraction, Levin (1968) allows Wilson off the hook, largely on the claim that "in a large sense, it could be said that the decision to bring the United States into the war solved the problem

of finding a method of actualizing the President's world view by firmly wedding American military strength to Wilson's missionary liberal-internationalism" (p. 44).The appeal to American exceptionalism ensnares Levin in much the same fashion as it did both contemporaries of Wilson as well as later historians.

Yet the motives behind Wilson's foreign policy can – and I argue should – be reduced to mere economic decisions. According to Kenneth Burke (1969), "rival ideologies are said to compete by "unmasking" one another" (p. 99). In this process, a "speaker can gain an easy advantage by picking out the most favorable motive and presenting it as either predominant or exclusive" (Burke 1969, p. 99). Focusing on the best motives allows the others to be, what Burke (1969) calls, "eulogistically covered," whereby the emphasis is deflected from the unfavorable. Burke (1969) gives the example of how "*love of power* can be eulogized as *love of country*," and this seems to be an element of Wilson's strategy (emphasis in original) (p. 100). Burke (1969) also discusses what Bentham said regarding the use of "vague generalities" as "covering devices"; "since "order" is a more inclusive word than the term for any particular order, it may include both good order and bad, whereby a call for order can cloak a call for *tyranny*" (emphasis in original) (p. 100). Burke (1969) then offers two methods of cloaking, or masking, true intentions – either by focusing on positive aspects of something such as foreign policy proposals, or by using necessarily vague language. In Wilson's case, he utilized both strategies. Wilson appeals to an American sense of duty to the world, of its moral obligation to serve mankind, while at the same time, appealing to new international order, but only one led by the United States.

Levin (1968) gives Wilson a pass, and he does so on the grounds of Wilson's ideology. James Arnt Aune (1994) argues "ideology is false or deluded speech about the world and the human beings who inhabit it," and in his analysis of the rhetoric of Marxism, he points to Elster, who contends "false speech can be explained either in terms of a speaker's *position* or *interest*" (emphasis in original) (p. 28). Arguments from position produce ideology that "emerges generally from faulty seeing in historical time" while "in an interest-explanation, ideology – and by extension rhetorical action – becomes the transparent expression of a person's economic or occupational interests" (Aune 1994, pp. 28-9). Wilson's public discourse reveals the use of both types of arguments. His appeal to the exceptionalism of the United States was based largely on America's economic position in the world, a position that was fueled in no small part by the

outbreak of war in Europe. Additionally, economic motives played a vital part in the decisions of the administration, as evidenced in the historical analysis presented.

By "unpacking" Wilson's rhetoric, it becomes clear that high-minded idealism, criticized by his opponents, served to mask the intentions of the administration to further the power of the United States and, at the same time, its economic interests, via economic imperialism. Despite the existence of other reasons offered for the American policy proposals, the prime motivation for Wilson's foreign policy regarding the war can be narrowed to economics. In terms of national security, the United States was not at risk, and a clear threat did not appear imminent. Regarding American "exceptionalism," the economic motive behind the ideology can be seen from whence the American status derived. The position of power afforded the United States came as a direct result of its economic fortunes – fortunes that were accumulated largely over the high seas under the guise of neutrality. According to Levin (1968), "the competitive advantage in world trade which America possessed due to her technological and productive efficiency was, for Wilson, not a threat to other nations, but rather a godsend" (p. 17). Additionally, echoing a Weberian analysis of Puritanism's influence on the rise of capitalism, Levin (1968) writes, "the commercial health of America was, for Wilson, the visible evidence of underlying political and moral strength" (p. 17).

Further, the call for the United States to enter the League of Nations was merely another way by which America could cement itself at the top of world politics since "the President saw the League of Nations as the fulfillment of his long effort to use America's moral and material power to move the world from a warlike state of nature to an orderly global society governed by liberal norms" (Levin, Jr., 1968, p. 9). Using the guise of moral obligation, which resulted from a superior morality based on economic good fortune, Wilson sought to strengthen America's hold on its economic supremacy. Unfortunately, advocating for the League of Nations ultimately killed Woodrow Wilson. Blinded by idealism, the President wanted the United States to hastily rush into a confederation of nations that could have proved problematic in the long run.

If my analysis of Wilson's foreign policy seems overly harsh or cynically shortsighted, some implications exist that deserve examination, notably how Wilson paved the way for high-minded idealism as a cover for future wars. The

war in Iraq, started by the second Bush administration in 2003, provides a good example. George W. Bush maintained that liberty for the Iraqi people was the principle goal of the war since Saddam Hussein, possessing an already poor record on human rights, could no longer be trusted. Further, Hussein was accused of accumulating weapons of mass destruction. When armed conflict seemed inevitable, opponents of the war created slogans such as “No Blood for Oil,” which reduced the motive for war to mere economic principles. While this reduction fails to account for more complex issues that may have influenced America’s participation in the war, the slogan does have merit. Stripping back the public discourse of the Bush administration reveals the underlying economic motive for the 2003 war in much the same way as for Wilson’s war in 1917. Had the Iraqis not been sitting on the largest oil reserves in the world, they likely would not have been linked to the terrorist attacks of September 11, 2001, or accused of possessing weapons of mass destruction, which were never found.

By taking such an approach to understanding Wilson’s foreign policy and America’s entry into World War I, the motives behind policy proposals can be reduced to economic interests, which allows for a certain testable hypothesis. Through the process of unpacking the rhetoric of the Wilson administration and accounting for the use of ideology, we may gain further insight into how leaders are able couch motives behind idealistic policy proposals, which then allows us to be more fully equipped to understand contemporary policy. In the words of Robert Ivie (1997), “No less than other rhetors, critics are partisans of various causes, but the goal they serve in common is to point toward ways of envisioning better realities” (p. 78).

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