Neutrality in World History

Leos Müller
Neutrality in World History provides a cogent synthesis of five hundred years of neutrality in global history. Author Leos Müller argues that neutrality and neutral states, such as Switzerland, Sweden and Belgium, have played an important historical role in implementing the free trade paradigm, shaping the laws of nations and humanitarianism, and serving as key global centres of trade and finance. Offering an intriguing alternative to dominant world history narratives, which hinge primarily on the international relations and policies of empires and global powers, Neutrality in World History provides students with a distinctive introduction to neutrality’s place in world history.

Leos Müller is Professor of History and Head of the Centre for Maritime Studies at Stockholm University.
Themes in World History
Series editor: Peter N. Stearns

The *Themes in World History* series offers focused treatment of a range of human experiences and institutions in the world history context. The purpose is to provide serious, if brief, discussions of important topics as additions to textbook coverage and document collections. The treatments will allow students to probe particular facets of the human story in greater depth than textbook coverage allows, and to gain a fuller sense of historians’ analytical methods and debates in the process. Each topic is handled over time—allowing discussions of changes and continuities. Each topic is assessed in terms of a range of different societies and religions—allowing comparisons of relevant similarities and differences. Each book in the series helps readers deal with world history in action, evaluating global contexts as they work through some of the key components of human society and human life.

*Agriculture in World History*
Mark B. Tauger

*Science in World History*
James Trefil

*Alcohol in World History*
Gina Hames

*Human Rights in World History*
Peter N. Stearns

*Peace in World History*
Peter N. Stearns

*The Atlantic Slave Trade in World History*
Jeremy Black

*Aging in World History*
David G. Troyansky

*The Industrial Turn in World History*
Peter N. Stearns

*Tolerance in World History*
Peter N. Stearns

*Neutrality in World History*
Leos Müller
NEUTRALITY IN WORLD HISTORY

Leos Müller
## CONTENTS

List of Tables viii
Acknowledgements ix

1 **Introduction: Why Neutrality?** 1
   - Why Neutrality? 1
   - Arguments for Studying Neutrality 2
   - What Is Neutrality? 4
   - Is There a World History of Neutrality? 6
   - Territorial and Maritime Neutrality 8
   - Is Neutrality Possible? 10
   - Collective Security and Neutrality 13
   - Neutrality and International Relations Theory 14
   - Remarks to the Reader 15
   - Further Reading 16

2 **Birth of Maritime Neutrality: 1500–1650** 18
   - Introduction 18
   - The Scramble for the Oceans, 1492–1522 19
   - Oceanic Claims and the Asian Political Order 23
   - Oceanic Claims and the European Political Order 26
   - Hugo Grotius and Mare Liberum 30
   - Hugo Grotius and Neutrality: The Bellum Justum Doctrine 35
   - Neutral Flags: From Consolato to the Principle “Free Ship—Free Goods” 36
   - Conclusion 39
   - Further Reading 41
3 Neutrality at Sea: 1650–1815

Introduction 43
International Relations after the Peace of Westphalia 44
Trade Wars and Naval Power 46
Mercantilism versus Free Trade 48
Asian World Order between 1600 and 1800 50
Practice of Maritime Neutrality, 1650–1720 53
Great Powers, the Rise of the Atlantic World and Eighteenth-Century Neutrality 55
The American Revolutionary War and the League of Armed Neutrality 59
The Economy of Maritime Neutrality in the American Revolutionary War 64
Maritime Neutrality in the French Revolutionary Wars 65
The Case of the Ship Maria: Maritime Neutrality in a Total War 73
The Napoleonic Wars and the End of Maritime Neutrality, 1803–1815 75
Conclusion 80
Further Reading 81

4 The Golden Age of Neutrality: 1814–1914

Introduction 84
The Vienna Congress and After 89
International Relations and Internationalism: Ideological Roots 94
Neutrality in the New World 101
The Crimean War and the Alabama Claims: Codification of International Law 104
International Law, Internationalism and Peace Movements, 1840–1914 111
The Hague Peace Conferences, 1899 and 1907 116
Conclusion 120
Further Reading 122

5 Neutrality in Trouble: 1914–2016

The First World War and Neutrality 124
The Paris Peace Conference of 1919 and the League of Nations 130
Neutrality in the Second World War 135
Sweden, Switzerland and Ireland 138
After 1945: Neutrality and the United Nations 144
The Cold War and Neutrality 149
Decolonization of the World and the Non-Aligned Movement 153
TABLES

2.1 Important treaties, wars and events, 1490–1650 20
3.1 European and northern-European wars and peace settlements, 1648–1815 45
4.1 Important wars, peace treaties and congresses, 1814–1914 85
5.1 Important events regarding the history of neutrality, 1914–2016 144
I am an early modern historian; most of my research is concerned with eighteenth-century Swedish history, often incorporating seventeenth-century developments and global perspectives. This is where I feel at home. Writing on nineteenth- and twentieth-century international relations has left me feel like a tourist visiting a new, unknown big city. Luckily for me I have not lacked my tourist guides, in the forms of books and articles; the literature listed under “Further Readings” is indicative of where I searched and found answers to many of my questions.

Writing a history book is never a solitary activity, particularly if the topic is world history, and there are many people I wish to thank.

My first thanks go to my first readers. To Hanna Hodacs, who read the manuscript in different versions and who made my English a little bit more comprehensible. Many arguments of the book developed in talks with Hanna. Thanks to Dan H. Andersen from Copenhagen, whose work on Danish maritime neutrality inspired me many years ago. Thanks to Silvia Marzagalli from Nice, a friend, a colleague and a very attentive reader. Thanks to Margaret Hunt from Uppsala, who also provided valuable input. Thanks to Mats Hallenberg, who read and commented on the early modern chapters of the book. Thanks to Aryo Makko, who read the modern parts of the book and provided valuable remarks and corrections. Thanks to Klas Åmark, who commented extensively on the part regarding neutrality in the Second World War. Thanks to Steve Murdoch, with whom I spent much time talking about privateers and neutrality.

I have been working on the history of neutrality for two decades. I am indebted to numerous people I met over the years: colleagues, historians and students, who inspired and challenged me with their comments and questions. I would particularly like to mention two sessions/conferences that made an impact. In 2012, together with Jari Eloranta and Peter Hedberg, I organized a session at the World Economic History Congress in Stellenbosch, focusing on the impact
of warfare on small neutral states from a long historical perspective. In 2017 I participated in the conference on neutrality, “Lessons from the Past and Vision for the 21th Century”, organized by Pascal Lottaz. Gathering leading experts on the history of neutrality, it provided me with a much-needed, up-to-date context for this book.

INTRODUCTION

Why Neutrality?

You know as well as we do that right, as the world goes, is only in question between equals in power, while the strong do what they can the weak suffer what they must.

*Melian Dialogue, Athenians on the address of Melians who refused to ally with Athens*¹

What is this thing. Neutrality? I do not get it. There is nothing to it.

*The Swedish king Gustavus Adolphus on the address of the Brandenburg neutrality 1630*²

Why Neutrality?

On 22 April 1793, President George Washington issued the first Proclamation of Neutrality of the United States. It declared that the United States would stay impartial in the European conflict between revolutionary France and Great Britain and its allies. For much of the long lasting French Revolutionary and Napoleonic Wars (1793–1815) the United States stayed out of the conflict; only the short War of 1812 against the British broke the American stance. In 1914, President Woodrow Wilson declared the neutrality of the United States in the First World War, and the United States upheld this position for almost three years—until March 1917. US Congress passed further Neutrality Acts in 1935, 1936, 1937 and 1939, faced with the possible outbreak of what would become the Second World War, but, following Japan’s attack on Pearl Harbor the United States definitely abandoned its position. Today, it seems remarkable that the United States had stayed out of major wars for almost 150 years—for most of its history. Neutrality does not seem compatible with the United States’ role in the Second World War, the Cold War and the recent War on Terror. The US President
George W. Bush’s statement after 9/11 that “Every nation, in every region, now has a decision to make. Either you are with us, or you are with the terrorists” made it clear that neutrality was not an option in that conflict. Why had it been an option in other wars?

Neutrality is a strange thing. It has been dismissed as either unrealistic or immoral—or both. But in spite of its long history of being despised, it still is alive and still considered as a foreign policy option. European long-term neutral nations, past and present, are successful small states. Switzerland, Sweden, Norway, Denmark, the Netherlands, Austria, Ireland and Finland are among the best countries to live in. They are socially and culturally developed, and they enjoy high living standards. They have well-functioning welfare states. They function, too, as competitive economies, free-traders, well-endowed to prosper in today’s global economy. We find these states at the top of the ranking lists of most competitive economies, the best countries to live in, the wealthiest nations. And they all share a long history of neutrality. Moreover, for many of them, neutrality is an important component of their modern national identity. I do not claim that neutrality is the reason for these countries’ success, but, apparently, neutrality has not been a disadvantage. In fact, neutrality offers a plausible explanation for a few of their competitive advantages.

In addition to the European nations, and the long-standing impartiality of the United States, there are many Latin American nations that have adopted this policy. Nevertheless, it is more difficult to find examples of neutrality in the world outside the Americas and Europe. But the so-called Non-Aligned Movement, consisting of 120 developing countries, is siding with the principle of non-alignment, closely related to neutrality. The movement includes many influential UN nations that wished to stay impartial throughout the Cold War of the 1960s and 1970s. And neutrality has recently been discussed as a possible solution to the tensions between Vladimir Putin’s Russia and NATO in countries such as Ukraine and Moldova. Thus, neutrality still is a relevant, rational and realistic option for many nations.

Arguments for Studying Neutrality

This book presents four major arguments for the study of neutrality. First, I argue that neutral states have played an important role in shaping the modern world order by providing an alternative to the early modern warlike and unpredictable aspects of international relations. These processes took place mainly in the eighteenth century, one of the most bellicose in human history. After the end of the French Revolutionary and Napoleonic Wars in 1815, neutrality became a standpoint in many international conflicts, and it functioned as a leading principle in international relations. And, in spite of the carnage of the two world wars and the Cold War, and in spite of the widespread criticism and rejection of it, neutrality is still a part of international relations in the modern world. We
cannot understand the history of international relations without seriously considering this political stance.

Second, I argue that neutral states were key agents in implementing the free-trade paradigm in international trade. Neutral maritime states fought for their rights to trade and navigate freely during wartime, with anyone and anywhere. They also employed legal arguments for ensuring the freedom of the sea, and they took steps to enforce their trade rights. Even in this case, the struggles to implement laws guaranteeing the freedom of the sea and the free-trade paradigm took centuries to carry out. By the mid-nineteenth century, the two paradigms were embodied in international law.

Third, I suggest that neutral states were and are important trading, shipping and industrial nations, and represent centres of finance. They have had an important role in the world economy for at least three centuries. Neutral trade has often been perceived as a morally wicked phenomenon, a way of making money through others' bloodshed. But that kind of trade has always been a part of international trade over the course of centuries in which warfare was a normal state of things; neutral trade, in fact, often reduced the damaging economic impact of warfare. In general, the economic development of small, free-trading neutrals has been better than, or as good as, the development of great powers and states with grand military ambitions.

The fourth claim is that neutrality is a key concept of international law, and in this way neutrality has also played a role in the rise of internationalism, humanitarianism and the peace movement, and so has contributed to the foundations of the twentieth-century international organizations such as the League of Nations and the United Nations. More than great powers, small neutral nations are interested in the establishment of the rule of international law (law of nations), because this law guarantees their sovereignty and independence. Since the early eighteenth century, lawyers of neutral nations have built up the body of international law and argued for its implementation in inter-state relations. Neutrality has been at the core of internationalism.

What is decisive for these four arguments is neutrality’s connection to the sea, the fact that the leading neutrals until the nineteenth century were maritime nations. Trade and shipping under neutral flags were especially important in the eighteenth century, when many maritime states (the Netherlands, Denmark, Sweden, the United States, Tuscany, Portugal and others) started to apply a long-term neutral strategy. And the early modern maritime states continued with their policy of neutrality throughout the nineteenth and twentieth centuries. This connection between maritime trade and neutrality might seem odd today, considering that the most typical neutral is the landlocked Switzerland, while the Netherlands, Denmark and the United States are no longer neutral. But what the early modern maritime neutrals shared with the Switzerland of today is the concern with free trade, peaceful international relations, and a safe and stable world order.

The chronological focus of the book is on the five centuries between 1500 and the present, a short period in the context of world history. This does not
mean that there had not been neutrality before 1500. Neutrality existed in antiquity, as well as in medieval times. But I argue that 1500 marks a crucial breaking point. After 1500, neutrality became a key component of international relations. After 1500, we cannot understand the working of international relations—the world order—without also understanding neutrality. This post-1500 role of neutrality is related to two early modern European “inventions”: the rise of the specifically European sovereign state and its system—which I call here, for reasons of convenience, the Westphalian state system—and the fact that the oceanic space after Columbus and Magellan was divided between territorial and international waters. The two points of departure, the birth of Westphalian sovereignty and its state system and the invention of international waters (“the free sea”) will receive much attention in the book.

The dilemmas of neutrality policy in the twentieth century have made us ignorant of neutrality’s role in shaping the modern world. When looking at the failures of neutrality in the First and Second World Wars and the abortive League of Nations in the inter-war period 1919–1939, it is easy to dismiss neutrality as irrelevant, immoral and unrealistic. The aim of this book is to redress this misjudgement.

What Is Neutrality?

Undoubtedly, the meaning of neutrality varies depending on context and time, or the agent employing the term. We might start with the simple statement that neutrality is a policy employed in war. Strictly speaking, neutrality does not exist in peacetime. But because warfare has characterized a great part of our history, not least in the last five centuries, neutrality is a relevant and useful concept in a world dominated by military conflicts. Neutrality assumes an armed conflict between two legally equal sovereign parts, and where a third (neutral) part stays impartial. Of course, in modern times the term neutrality is used also in peacetime. Here, neutrality means either long-term non-alignment, a pledge that one state makes to not ally itself with any part in a future war; or there is permanent neutrality, a declaration of neutrality by a state directed to the international community. The legal or political status of non-alignment or declarations of permanent neutrality vary, but in principle they both imply that the neutral state will stay neutral in an upcoming armed conflict. The policy of neutrality in peacetime has been adopted especially in the post-war period, in the Cold War, which, in fact, was a “cold” conflict between the West and the East.

The concept of neutrality in war thus also presumes a definition of “war” in a consistent way. War is here understood as an armed conflict between two sovereign polities. The sovereignty (equality in legal terms) is founded on a general acknowledgement by the international community that the belligerent states are sovereign states. Uprisings, revolutions or civil wars taking place on the territory of a sovereign state are not truly legitimate wars. Such a distinction between a legitimate war between two sovereign states and an internal conflict
within a sovereign state is crucial in declarations of neutrality, as we will see. Neutrality cannot be declared in a civil conflict because this would, de facto, mean that the neutral state acknowledges the sovereignty of either of these fighting parts. This was a matter of great significance in the transformation of the American Revolutionary War from a rebellion of British colonial subjects into a legitimate war: when the French acknowledged the United States as sovereign nation and entered the war on the US side, neutrality became legal option. With the rising number of internal conflicts (civil wars) in the twentieth century, questions about the legality of a war and thus options about adopting a position of neutrality have once again been raised.

In a legal sense, special focus must be put on the inactivity and impartiality of a neutral state. If a neutral state abstains from taking a stance in favour of one part in an armed conflict, then it is crucial it breaks all its contacts with both sides and stays inactive, or at least treats the belligerents in an equally “impartial” way. In this way the seventeenth-century Dutch scholar Hugo Grotius understood neutrality, and in this way the duties and rights of neutrals were defined in the Hague Conferences of 1899 and 1907 which drew up the law of neutrality. But such a legal ideal of impartiality has been far removed from the reality of maritime neutrality in early modern times, or from the realities of the Swiss or Swedish trades with Nazi Germany. We have to put different understandings of neutrality into proper historical context.

The differences in the meaning of neutrality are not only related to legal, economic, political or other contexts, but also to the fact that neutrality has been employed in different ways by different states. In a very broad sense, we can make distinctions between three different uses of the term, which also correspond with different periods of time. The most traditional understanding of neutrality implies a one-sided declaration of neutrality in a war. This does not necessarily mean that the neutral state would stay neutral during the whole war, and it did not compel the state to stay neutral in an ensuing conflict. Such “occasional” neutrality was employed in the seventeenth and eighteenth centuries, for example by England, Sweden and Denmark. The same kind of occasional neutrality was frequently employed by states in the nineteenth century. It was adopted by both great powers and small states. Many nineteenth-century wars started with multiple declarations of neutrality by states not engaged in a conflict. This was the case even at the beginning of the First and Second World Wars. The purpose of such occasional neutralities was to contain the conflict and, hopefully, draw economic or strategic benefits from it. Such neutrality expressed only a short-term realist policy that did not entail any long-term commitment.

The second kind of neutrality has been adopted by “long-term voluntary” neutrals. These were states that adopted neutrality as a long-term strategy in their foreign policy. Long-term neutrality was typically adopted by small states with limited military resources. The first long-term neutrals were states with considerable maritime interests, such as the Netherlands and Denmark. From the late eighteenth century even Sweden and the United States could be added to the
group. What distinguished the long-term neutrals from the occasional ones was the declaration of neutrality as a long-term aim of their foreign policy, and the endeavour to institutionalize neutrality as a part of international law, international cooperation or international institutions. Long-term voluntary neutrals were very active members of the international community in the nineteenth century, when neutrality thrived. What is important to stress here is that long-term neutrals, even if they did not take part in great-power wars, made substantial investments in their defence capabilities, making their neutrality tenable.

The third type of neutrality, permanent neutrality, was an outcome of the nineteenth-century conference system. It was neutrality guaranteed to a neutral state by an agreement among great powers. Two classical cases of permanent neutrality were Switzerland and Belgium. Swiss neutrality was guaranteed by Britain, France, Russia, Prussia and Austria at the Vienna Congress of 1814–1815. Belgium first became an independent state in 1830, and its international neutral status was guaranteed by European great powers in upcoming years. In both cases, permanent neutrality was a solution that was supposed to minimize tensions between the great powers. Permanent neutrality was also first employed in plausible conflict zones between the great powers. For centuries, the territories of the Low Countries (the Netherlands and Belgium) made up a conflict zone between France, the German states (the Habsburg Empire, Prussia and Germany) and Britain. Also, the Swiss cantons were a vulnerable area of conflict between French, Austrian and Italian interests. In the case of Switzerland, “neutralization” was a great success. Neutralization from above was transformed into a long-term neutrality that provided the Swiss federation with a new kind of international legitimacy, and the Swiss with a national identity. Notably, maritime neutrality did not play any significant role in the permanent neutralization of these two states.

In the nineteenth century, neutralization by a great-powers agreement had been tested in a number of conflict situations outside Europe, for example in the cases of the Suez Canal or Siam (present-day Thailand), where British and French imperial interests clashed. After 1945, permanent neutrality has been used to resolve tensions between the Soviet bloc and the West in Austria and Finland. In Austria’s case, permanent neutrality was an outcome of the agreement between the wartime Allies. In the Finnish case, permanent neutrality was a condition of the treaty between Finland and the Soviet Union which normalized Finland’s situation after the Second World War. Both in Ukraine and Moldova, two post-Soviet republics with a troublesome relationship with Russia, neutralization has been discussed as possible way to negotiate between Russia and NATO.

Is There a World History of Neutrality?

World history has too often been written as a history of empires, ancient or modern, and their relations and conflicts. After 1500, the narrative of world history has been about European great powers, their colonial expansion, and
nineteenth-century imperialism. The role of small states, even European ones, has too often been explained away or ignored. But an exclusive empire or great-power perspective on world history makes it incomprehensible why small states have survived, and indeed thrived. I argue here that small states have played a more important role in the history of the world order than we usually admit, and that neutrality is an important part of that argument. We have to remember, too, that many nations altered their status over time. For example, Sweden, Denmark and the Netherlands were great powers in the early modern period, but have more recently turned into long-term neutrals. On the other hand, the United States was a “peripheral” neutral nation throughout most of its history. In this respect, by focusing on small neutral nations, this book offers an alternative perspective on world history.

The history of neutrality here is studied mainly through the lens of European neutrality. This is not a sign of the author’s Eurocentric perspective, but a consequence of the points of departure of the book, the European state model and its international relations, and the sea. The European sovereign state has become, over time, a model for the majority of the world’s nations, and consequently the European state system has become diffused all over the world. I call this system the Westphalian state system, even though I do not mean that the European sovereign state or the European state system was invented in 1648 in a kind of “Big Bang” of the Peace of Westphalia. The European sovereign state and its system is an outcome of a drawn-out evolutionary development, not of a single peace settlement.

This European state system is not the only one; there had been other, competing systems in the world. Naturally, European and non-European states related to each other before 1648, and we have to pay attention to these relations. Nevertheless, neutrality as it is understood here entered international relations first in the context of the European state system at this time. This neutrality based on sovereignty and equality could not have existed in international relations between, for example, the Chinese Ming Empire and Asian or European polities because China did not recognize European sovereignty. Also, neutrality only became a relevant policy in the eighteenth-century Atlantic world, and indeed it was adopted by the young American Republic. In Chapter 4 we will see that neutrality became a favourite policy of the United States and the newly independent states in South America once these nations became acknowledged members of the extended Westphalian state system.

Neutrality also became an important tool in solving conflicts between colonial powers outside Europe. By a “neutralization” of conflict zones in Asia and Africa, European states avoided armed conflicts and extended their international order across the world. A typical example of such a solution was the neutralization of the Congo Basin in the Berlin Conference of 1884–1885 in the final stages of the colonization of Africa. It was no accident that the administration of Congo was given to the leading European neutral state, Belgium. Also, the neutralization of important waterways and canals, such as the Suez Canal, can be mentioned in this
context. Neutrality was a great tool for reducing tensions between European powers; it worked especially well for Great Britain and France. But it did not work for non-European states. When Korea, in the 1890s, asked the European powers to guarantee its neutrality—and thus also its sovereignty—according to the same neutralization procedure they had made in the case of Belgium, the great powers declined. In 1910 Korea was occupied by Japan.

Finally, the formation of the League of Nations and the United Nations in the twentieth century made sovereignty a global phenomenon. The process of decolonization and the transformation of former colonies into sovereign nation states increased the number of states enormously. The majority of the new states were small polities that preferred to stay impartial throughout the Cold War. The Non-Aligned Movement is a good example of this global appeal of neutrality in a bipolar world. And the concept did not disappear after the end of the Cold War. The present-day world is multipolar, consisting of almost 200 sovereign nations, which makes international relations very complex and unpredictable. Neutrality, impartiality, and non-alignment are reasonable foreign policy choices in such a world.

Territorial and Maritime Neutrality

In the long history of neutrality there is a crucial distinction between neutrality at sea, here also called maritime neutrality, and territorial neutrality. Territorial neutrality is related to a state’s declaration that its territory is neutral, meaning that belligerents are forbidden to enter or to use it. In everyday language this is the most usual understanding of neutrality. When we talk about the violations of Belgian, Dutch, Danish and Norwegian neutralities during the Second World War we mean that Germany violated their territorial integrity. Territorial neutrality is most difficult to uphold simply because it presupposes a small neutral state’s capability to stop the antagonist. This difficulty is a strong reason why neutrality is perceived as being an unrealistic policy.

Most of the tangible history of neutrality between 1500 and 1800 actually concerns maritime neutrality, however, it also was important in the nineteenth century and throughout the First and Second World Wars. Maritime neutrality is about the use of neutral flags in international waters. Ships of a neutral state cruise the open seas to trade and carry goods to or from other neutrals, but often also belligerents. A precondition of neutral shipping is “the freedom of the seas”—namely, the freedom of every sovereign nation to sail and trade in international waters.

The practice of maritime neutrality has been a part of trade in the Mediterranean since the middle ages, since which time there have been generally acknowledged principles of what is legal and illegal in neutral shipping. Neutral shipping is and has been a matter of fact. Nevertheless, following the boom in Mediterranean trade in the fifteenth century, three issues emerged that formed the core of disputes between maritime neutrals and belligerents. The first one concerned the
rights of ships under a neutral flag to carry any kind of goods, even the property of a belligerent, on board. Belligerents dismissed the idea that neutrals had such rights to help their enemies. The second issue concerned the rights of neutral ships to sail to and from any port or coast, including ports or coasts of states at war. From the belligerents’ point of view, even this right was a help to their enemies and did not constitute impartiality in war, or proper neutrality. This debate came to revolve around the nature of the blockading of enemy ports and coasts. The third question related to supplies of war necessities, so-called contraband of war. The belligerents maintained that any war necessities that could be delivered to their enemies and instantly used in war (arms, guns, ammunitions and money) were to be confiscated as contraband of war.

Maritime neutrality often concerned states at the periphery. As overseas trade could not be limited to wartime theatres (conflict zones), maritime neutrality was applicable to small states away from the conflict zones. Sweden and Denmark, at the northern periphery of Europe, as well as Portugal on the Atlantic seaboard of Europe, were such cases. We can look at this in the same way as the United States’ neutrality in the French Revolutionary and Napoleonic Wars. All this, naturally, changed with the developments that have taken place over the last few centuries with the changed “global” character of warfare. In the Cold War, for instance, Sweden was very much in the conflict zone between NATO and the Soviet Union.

Obviously, neutral trade and shipping in wartime had always been very profitable; the more useful the supplies were for belligerents the more profitable the business. But the trade with belligerents contradicts the claim of impartiality, identified above as a condition of proper neutrality. This did not stop shipowners and merchants from neutral countries carrying on such trade. Ships under neutral flags have transported goods to and from belligerents and between neutrals in the past. The belligerents themselves—their navies and privateers—have done everything to stop these trade flows; in order to damage their enemies they have seized neutral ships, confiscated their cargoes, and declared them as trophies (prizes) at special wartime courts, so-called prize courts. Privateering was an ordinary business, and many ship-owners and merchants switched to it when their country got involved in a war. They applied for privateering licences (letter of marque), and equipped and manned their ordinary vessels for the business. In spite of some superficial similarities, privateering was not piracy, and privateers who breached the licensed regulations were punished.

The neutrals, on their part, endeavoured to pursue their right to trade and sail freely, acted for the release of confiscated ships and, if that failed, to seek compensation. Long-term shipping under neutral flags developed into a highly regulated wartime business in which neutral ship-owners and merchants balanced the risks of being taken as a prize against the benefits of making hefty wartime profits. This was the contested practice of maritime neutrality until the mid-nineteenth century—privateering as a tool of naval warfare was outlawed first in 1856, in the Paris Declaration Respecting Maritime Law.
There are two factors that altered the role of maritime neutrality after the end of the French Revolutionary and Napoleonic Wars. First, Britain’s naval power, in combination with the expansion of British trade and shipping, made maritime neutrality much less interesting as a “business strategy”. The seas in the nineteenth century became peaceful. In a maritime world dominated by Britain’s Royal Navy, a neutral flag no longer gave a competitive advantage. Moreover, over the course of the century Britain endorsed the core principles of the maritime neutrality stance: free trade, prohibiting of privateering, freedom of the sea, and international law—exactly the same standards that Britain had refused to recognize for two centuries. In the nineteenth century Britain also became a special “neutral”—it repeatedly declared its neutrality at the outbreaks of continental wars and eventually began a foreign policy of “splendid isolation”. At the same time, Britain undoubtedly was the world’s dominant maritime power and the world’s leading economy, characteristics that did not square with the idea of neutrality as being equivalent to a weak, third-rank power.

Second, a new transformation of war into the “total wars” after 1914 made neutrality much more vulnerable. The belligerents stopped respecting the neutrality of smaller states. Armies overran their territories and neutral ships were sunk. It was the German attacks on neutral US shipping that drew the world’s biggest neutral state into the conflict, eventually shifting the military balance in favour of the Allies. The cases of Nazi Germany’s invasions of Belgium, the Netherlands, Denmark, Norway and others show that, at the time, military priorities weighed heavier than respect for neutrality.

The fact that much recent writing on neutrality concerns the modern uses of it (especially the First and Second World Wars and the Cold War) conceals the essential differences between territorial and maritime neutralities. Their historical trajectories, the ways they have been practised and understood in business, law and diplomacy, provide two fairly distinct stories. The focus on maritime neutrality in this book explains these differences and provides an argument for paying more attention to neutrality’s maritime past. This is also a step towards a long-term history of neutrality in practice. By focusing on early modern maritime history we are able to see how neutrality was a realistic option before 1800, and we are able to trace the transition from early modern maritime neutralities to nineteenth-century neutrality.

The history of neutrality from the bottom up, the evolution of practice of neutral trade and shipping, offers a complementary history to those of the top-down discourses on the history of neutrality as either unrealistic or immoral. Exactly this part of the narrative is often missing from the surveys of the history of international relations.

Is Neutrality Possible?

Almost every book on neutrality opens with a few quotes by political thinkers, historians or statesmen scorning neutrality as an impossible stance. The Melian
Dialogue in Thucydides’ History of the Peloponnesian War is a classical case. The Melians, inhabitants of the island of Melos, pronounced their neutrality in the war between Sparta and Athens. Following their siege of the island (416 BC), the Athenians dismissed Melian neutrality on the basis of the rights of the stronger power. They expressed their position in these words: “The strong do what they can and the weak suffer what they must.” After the sack of Melos, as Thucydides wrote, the Athenians killed all adult Melos males and sold all the women and children into slavery.

We find the same “realist argument” against the neutrality of a weaker state in Machiavelli’s The Prince, and in almost every work on political science mentioning neutrality since then. Failures of neutrality in the twentieth century, from the German invasion of neutral Belgium in 1914 to the Nazi occupations of neutral Norway, Denmark, Belgium and the Netherlands, have been explained as due to a lack of political realism. From a realist point of view, for a weaker state, neutrality is a foolish policy.

Neutrality is seen as immoral too. In the Second World War, neutral nations such as Switzerland and Sweden traded with both the Allies and the Axis Powers. They avoided occupation and wartime destruction, and they made handsome profits into the bargain. They were late, it is said, in condemning both Nazi crimes in occupied countries and the Holocaust. The Swiss banks even harboured deposits of gold stolen from the Jews, which, decades after the war, led to legal proceedings against the banks. Ireland, another democratic neutral in the Second World War, was accused of being blind to Hitler’s policy. Over the course of the Cold War, Sweden’s policy of neutrality was dismissed as deceitful, because while Sweden publicly declared its neutrality between the West and the East, it secretly collaborated with NATO.

The view of neutrality as immoral and dishonest goes back far in history, even if the grounds for dismissing neutrality’s immorality has shifted over time. The accusation goes to the ancient concept of the “just war”—bellum justum. According to this original understanding of war, war is justifiable only if its cause is just, and only if the war’s aim is to restore peace in society. From medieval times onwards, warfare has consequently been perceived as a struggle between Good and Evil. In such a struggle, it is immoral not to choose a side, to stay impartial. In Dante’s Inferno, there is a place at the gate to Hell reserved for the angels who were not able choose between God and the Devil—the neutrals. The argument for a “just war”, of course, is the argument for religious warfare, from the crusades to the religious wars of the sixteenth and seventeenth centuries.

The discourse of a “just war” entered the early modern debates on the rights and duties of belligerents; in a moral and legal sense, then, it did play an important role in the development of the legal concept of neutrality. We will pay greater attention to it when we look at the foundations of international law and the role of neutrality in it (Chapter 2). Only by questioning the “just war” argument did neutrality become a legitimate option in violent conflicts between
states. So, for much of the recent five centuries the question of justification for war has been closely related to neutrality.

Undoubtedly, some wars were perceived as less “just” than others, opening the way for neutrality to be seen as a morally and legally appropriate stance. If a war between two states is perceived merely as a means of continuation of their foreign policy, then neutrality is a morally acceptable, and even superior, option. For example, when we look at the character of the eighteenth-century struggle for hegemony between Great Britain and France, these wars were not perceived as particularly just or righteous by outsiders. The chaotic inter-state relations of the century were challenged by ideas of an alternative peaceful order (for example, in the *Perpetual Peace* of Immanuel Kant); or, as a more concrete alternative, by outspoken declarations of neutrality and the cooperation between neutral states (leagues of armed neutrality). The foreign policy of the United States until 1917—in fact until 1941—is a good example of the combination of a moral and realistic neutral stance.

The Cold War is another example of a war that is not perceived as a just war. From the perspective of the Third World countries (former colonies) it was only another struggle for world hegemony between the West and the East. The Non-Aligned Movement started as an outcome of this hegemonic understanding of the Cold War. The initiative, raised by a Yugoslavia trapped in the Cold War between the West and the Soviet Union, grew in the 1970s and 1980s. Notably, no European neutrals became members.

On the other hand, when we look at the French Revolutionary Wars, the Second World War, or the more recent Global War on Terrorism, the language of a “just war” is there, in spite of the fact that the term itself is not in use. Such just wars too often slip into the language of religious warfare. President George W. Bush’s “crusade” on terrorism, declared in 2001, is perhaps a most recent example, but we will find the same righteous religious language in many other modern conflicts.

To make the moral dilemma of neutrality easily comprehensible, we may compare it with the bad-guy-good-guy plot of action movies. Think of a movie about a fight between a drug cartel and the police. Drug cartels are bad guys, the police are good guys. The line between good and evil is clearly defined; the fight against drugs is just and fair; and a neutral stance in such a fight is unquestionably wrong. Participants have to choose a side. But what if the police are corrupt, or, even worse, if the police turn into another drug cartel, just using the label to hide their proper aim, namely to destroy the rival cartel? And what about if the head of the state authority fighting drugs cooperates with the police, without acknowledging they too are bad guys? The narrative becomes too complex to make easy choices. Reality, and good movies such as Steven Soderbergh’s *Traffic* (2000), reflects on the complications associated with deciding who is bad and who is good. In such a situation, standing aside—staying impartial or neutral—can be seen not only as an acceptable stance, but in fact can be seen as the morally superior stance. A neutral can be a good guy. As we will see in this book, the argument for neutrality has often been grounded in exactly this standpoint.
Collective Security and Neutrality

One of the reasons why neutrality in the twentieth century became ambiguous is the contradiction between collective security and neutrality. While neutrality presupposes impartiality in a war, collective security expresses the state’s obligation to secure peace with other members of the international community, together and even with the use of violent means. By their collective action, member states of international communities guarantee a peaceful world order. The idea of collective security has a very long history, but it was first embodied in international law in the Covenant (Charter) of the League of Nations in 1920. After the First World War, collective security was seen as a better tool for guaranteeing small states’ territorial integrity and security than neutrality, and the majority of neutral states enthusiastically joined the League. The contradiction between neutrality and collective security meant that European neutrals abolished their neutrality in tandem—for a while. As soon as it became obvious—in the early 1930s—that collective security did not work, the small states returned to neutrality.

Membership of the United Nations also means, in principle, that the UN members guarantee to defend each other in case of illegitimate aggression (Chapter VII, Charter of the United Nations). This claim is contradictory to neutrality, and it had been the reason why the world’s most quintessential neutral—Switzerland—refused to join the UN until 2002, over 50 years after the UN’s foundation. But other neutrals, such as Sweden, Finland, Ireland and Austria, joined the UN early. Here, apparently, UN membership has not been antithetical to a neutral stance.

The varying ways in which neutral states treat the contradiction between neutrality and collective security illustrates the distance between a narrow, legalistic understanding of neutrality and the foreign policy practices of neutral states. It shows, in a way, the paradox of neutrality as an expression of isolationism and internationalism at the same time. At present, this paradox is vivid in the international activism of present-day neutrals. Neutral nations do play a very important role in the UN, in the UN peacekeeping missions all around the world, and in the UN agencies. Neutral cities such as Geneva and Vienna house the UN headquarters. Switzerland and Sweden, together with Poland and the Czech Republic (former Czechoslovakia)—the so-called Neutral Nations Supervisory Commission—have even been supervising the Armistice Line between South and North Korea since the Korean War (1950–1953). This is the reason why Sweden mediates the diplomatic contact between the United States and North Korea.

This combination of strong international engagement and policy of neutrality is nothing new. The odd combination of internationalism and isolationism had characterized much of the United States’ foreign policy since its first declaration of neutrality in 1793. We will find it, also, in the collaboration of neutral states, the leagues of armed neutralities, in the eighteenth century. In the past, neutral states perceived themselves as representatives of better and more just international
relations. They stayed for an alternative peaceful international order in contrast to
great powers’ struggles for hegemony. This was indeed an expression of inter-
nationalism, not isolationism. This feature of engaged international neutrality
became predominant in the nineteenth century, the age of neutrals, and it still
marks present-day commitment to the UN.

Neutrality and International Relations Theory

Since the end of the Second World War, the study of international relations has
been an expanding field. At present, the field stretches across political science,
history, diplomatic history, area studies, peace and conflict studies, and related
disciplines. Neutrality is a policy applied in international relations and so,
naturally, the field has much to say about it. I acknowledge here the importance
of international relations theory for the study of neutrality, but I have also to
maintain that the often abstract approach of international relations theory misses
the complexity of the historical situations in which neutrality has been applied
since the early modern period. In general, academics in international relations do
not pay enough attention to small or weaker states which often adhere to a
neutrality policy.

Contemporary international relations theory does include a number of theore-
tical models applicable to a study of neutrality, including realism, neo–realism,
idealism, liberalism, Marxism, constructivism, and feminism and gender studies.
From the point of view of the history of neutrality, two contradictory models are
the most relevant: realism and liberalism. Realism, and its recent version, neo–
realism, links the functioning of international relations to power. State power (in
principle meaning military power) is the only real factor that decides relations
between states. International relations have two major forms: balance of power
and hegemony. If the powers of states within the state system are relatively equal,
meaning that no state has the capability to dominate other states, then interna-
tional relations are characterized by a balance of power. This also involves using
the term “multilateral system”. Such a situation is unstable, as the relative powers
of states are shifting, leading to a world order characterized by a high probability
of conflict. This is the world of Machiavelli’s Italian city states, the world of the
Westphalian state system of the seventeenth and eighteenth centuries, and very
much our post-2000 world. The number of states that define the balance of
power is limited; the eighteenth-century balance of power in Europe, for
instance, was decided by five great powers: Britain, France, Austria, Prussia and
Russia. Obviously, this was a very unstable world order entailing many conflicts.

The other system of international relations built according to realism is
hegemony. This is a situation in which one powerful state dominates all other
states. Such a system is defined by hierarchical international relations and the
subordination of the foreign policy of non-hegemonic states. Something in
between is a bipolar world dominated by two great powers vastly more powerful
than other states. The Cold-War balance of power between the United States and
the Soviet Union and their allies is a typical example of such a bipolar world. But the nineteenth-century balance of power between Russia and the British Empire, established for a few decades in the aftermath of the Vienna Congress of 1815, is a similar case.

The problem with realism, and the two ideal models of the world state system that it proposes, is that it attributes a limited, if not in fact insignificant, role to weak or small states. Neutrality as a foreign policy of weak or small states does not fit well into any of the two models. As regards the balance of power conditions characterized by unpredictability, neutrality is perceived to be an unrealistic policy, as the Athenians explained to the Melians (notably, Thucydides is considered the founding father of realism theory). In a hegemonic world order, characterized by hierarchical relations between a dominant power and dominated polities, neutrality is not possible.

Liberalism, in contrast to realism, in international relations has an essentially optimistic view of human nature and the human ability to cooperate. It is based on the postulate that human beings have an interest in collaborating and coexisting in peace. This, indeed, is what characterizes human society. Also, liberalism acknowledges that international relations can be unpredictable, but because the actors (men or states) share common interests the outcome can be a peaceful world order. Not surprisingly, theorists of liberalism in international relations theory relate to Adam Smith and his concept of the market economy/anarchy, as well as to Immanuel Kant and his ideas of perpetual peace and international community. Liberalism stresses the significance of commonly acknowledged rules of international relations—in other words, the significance of international law.

Like realism, liberalism also entered the field of international relations as a coherent theory after the Second World War, and it aims primarily to explain the functioning—and failures—of the international state order in the twentieth century. The classical liberal arguments about human nature, the humanizing role of trade, international law, etc., have been incorporated, as we will see, into the early modern theories of neutrality. But neutrality and its long history did not attract much attention in modern writing on liberalism in international relations.

As a historian of the early modern world, I am inspired by international relations theory. I see the theory as an important tool illuminating general features of the world order, and the role of neutral states in it. But I also see theory as too abstract and too abridged to understand the full complexity of the history of international relations. I believe that this lack of interest in the role of small and neutral states leads to misunderstanding how international relations have worked, and how they work today. This lapse is even more apparent if we zoom in on neutrality.

Remarks to the Reader

Any book on neutrality in world history over a 500-year period must involve making compromises. On the one hand, the book is too short to give the reader a detailed overview of the different narratives and arguments that the subject
requires; and you will, for sure, feel that the reasoning is often too compressed and basic. But each chapter includes a list of suggested reading that you are invited to study and discuss. On the other hand, the book requires from you a good basic knowledge of the political and diplomatic history of Europe and the world since 1500. It presupposes that the reader has the necessary knowledge of the Age of Discoveries, the Dutch Rebellion (1568–1648), the Thirty Years War (1618–1648), the Anglo-Dutch Wars of the late seventeenth century and the drawn out Anglo-French conflict, stretching from the Glorious Revolution (1688) to the Vienna Congress (1814–1815)—and of course, the history of the two world wars and the Cold War.

The history of neutrality, naturally, is also a history of wars, but this book is not meant to sit on a military history shelf in a library. I am interested in the aspect of neutrality which is “non-participation” in war. I mainly study how the neutrals’ wartime experience shaped international relations, and especially how wars’ endings—peace settlements—formed the frameworks of international relations, and how neutrality fitted in to that process.

Unlike the major bulk of literature on neutrality, I devote half of the book, two long chapters, to neutrality before the Vienna Congress (Chapters 2 and 3), and I spend Chapter 4 looking at the rather peaceful nineteenth century. This focus on the period 1500–1815, and then on “maritime neutrality”, offers the most original argument of the book. I am convinced that such a broad chronological scope is necessary to put neutrality in its proper historical context, to show that its history is richer, longer, more progressive and more ethical than its post-1945 history indicates. The twentieth century, which normally dominates studies of the history of neutrality, is described in just one chapter (Chapter 5). There is plenty of published research that an interested reader may turn to if they are interested in this period, as suggested in the extended section on further reading.

Notes
1 Thucydides, The history of the Peloponnesian War, book 5, Chapters 84–116.

Further Reading

The best way to approach the vast field of literature on neutrality is to start with the overviews of its long history. Perhaps the most comprehensive introduction to the legal aspects of neutrality, and the law of nations, is provided in Stephen Neff’s works, for example, The rights and duties of neutrals: a general history, Juris, New York, 2000 and War and the law of nations: a general history, Cambridge University Press, Cambridge, 2005. Neff provides a useful introduction to the history of neutrality, explaining at length, for example, the contradictions between the arguments for “just war” and war for “reason of state”. A classic work on neutrality before the


Introduction

The best way to approach the vast field of literature on neutrality is to start with the overviews of its long history. Perhaps the most comprehensive introduction to the legal aspects of neutrality, and the law of nations, is provided in Stephen Neff’s works, for example, The rights and duties of neutrals: a general history, Juris, New York, 2000 and War and the law of nations: a general history, Cambridge University Press, Cambridge, 2005. Neff provides a useful introduction to the history of neutrality, explaining at length, for example, the contradictions between the arguments for just war and war for reason of state, a classic work before the 17Second World War is Philip C. Jessup and Francis Deek (eds), Neutrality: its history, economics and law. Vols. 1-3, Columbia University Press, New York, 1935-1936, with much focus on the British policy towards neutrals, and on US neutrality. Maartje Abbenhuis has written an excellent history of the nineteenth-century history of neutrality: An age of neutrals: great power politics, 1815-1914, Cambridge University Press, Cambridge, 2014. I have adopted here Abbenhuis’s typology of neutrality (occasional, long-term voluntary, and permanent) for the whole period covered by the book. A short but penetrating introduction to the problems of neutrality is provided by Efraim Karsh, Neutrality and small states, Routledge, London, 1988.


Birth of Maritime Neutrality


Neutrality at Sea


This chapter also pays much attention to the original writings of a number of seventeenth- and eighteenth-century authors. All the mentioned works are available on the internet. Martin H□□bner, De la saisie des batimens neutres, ou du droit qu□□□on les nations bellig□□rantes d□□□arr□□ter les navires des peuples amis, The Hague, 1759; Immanuel Kant, Toward perpetual peace: a philosophical sketch, 1795; Thomas Paine, Compact maritime, under the following heads: I. Dissertation on the law of nations. II. On the Jacobinism of the English at sea. III. Compact maritime for the protection of neutral commerce, and securing the liberty of the seas. IV. Observations on some passages in the discourse of the judge of the English admiralty, City of Washington, 1801.


The Golden Age of Neutrality

The Vienna Congress and its role in the nineteenth-century international system attracted much attention among historians and political scientists. For a political science perspective see especially John G. Ikenberry, After victory: institutions, strategic restraint, and the rebuilding of order after major wars, Princeton University Press, Princeton, 2001. For a recent historical assessment based on participants□□□writings and correspondence see Adam


At the end of the chapter I mention Norman Angell's Great illusion. It was first published in 1910, with the full title The great illusion: a study of the relation of military power in nations to their economic and social advantage, London. There are many later editions.

**Neutrality in Trouble**

The twentieth-century history of neutrality is a huge and rapidly expanding field. Unlike previous periods, neutrality is often studied from specific national perspectives, and often focuses on neutrality in the Second World War or the Cold War. I list here books that focus both on relevant incidents, organizations, treaties, etc., and on national stories of neutrality. A good general introduction is provided by Efraim Karsh, Neutrality and small states, Routledge, London, 1988. Excellent general introductions to the First World War, the Paris Peace Conference and its consequences are: Margaret MacMillan, Peacemakers: the Paris Conference of 1919 and its attempt to end war, John Murray, London, 2003; and Margaret MacMillan, The war that ended peace: the road to 1914, Random House, New York, 2013; Niall Ferguson, The war of the world: history's age of hatred, Allen Lane, London, 2006. For the economic aspects of the First World War see Stephen N. Broadberry and Mark Harrison (eds), The economics of World War I, Cambridge University Press, Cambridge, 2005. Specifically on neutrals and neutrality in the early nineteenth century see Johan den Hertog and Samuel Kruizinga (eds), Caught in the middle: neutrals, neutrality, and the First World War, Aksant, Amsterdam, 2011; and Rebecka Lettevall, Geert Somsen and Sven Widmalm (eds), Neutrality in twentieth-century Europe: intersections of science, culture, and


