

**The Changing Place of Globalism in the American Post-  
Cold War Foreign Policy Debate: a Perspective in  
the Neo-Gramscian Approach**

**By Emad El-Din Aysha,**

**University of Sheffield, October 2000.**

**Thesis submitted for the degree of PhD, Department  
of Politics, Faculty of Social Sciences.**

## SUMMARY

With the end of the Cold War and the collapse of communism the very paradigm of US foreign policy – globalism – has fallen apart, at the level of intellectual utility (analysing the world adequately) and ideological appeal (at the level of policymakers and the public). This thesis attempts to provide an account of the position of globalism in post-Cold War US foreign policy, at the level of actual policy and policy discourse, as understood and conceptualised from a neo-Gramscian perspective. Adopting the neo-Gramscian approach, we elaborate on such central Gramscian concepts as hegemony, organic intellectuals, historic blocs, etc. We also adapt such concepts as ‘globalism’ and ‘world order’ – which are not Gramscian in origin – to our methodology and produce our own understanding and definition of them, in addition to reinterpreting the history of US foreign policy based on our reconceptualisation. We do examine the various economic and military policies pursued by America in the new era, but we primarily focus on the legitimating strategies adopted by the government to justify these policies, and the social basis of these legitimising strategies. Of particular concern is the wider foreign policy debate in post-Cold War America, and the differing legitimising strategies that constitute this debate as America’s foreign policymakers, their attendant intellectuals, and the various power centres in the country adapt to the new world. All these different strands of analysis are pursued in tandem throughout the thesis, with all these strands pulled together by the end of this thesis.

## *Acknowledgements*

I would like to express my gratitude first and foremost to my supervisor Professor Tony Payne, for his patient reading of my drafts and his valuable commentary which helped me shape and reshape the contents and argumentation of this thesis. Special thanks also to my second supervisor, Anthony Arblaster, for his advice and feedback on various important aspects of my work. My sincere thanks go to all the staff of the Politics Department, especially Sarah Cooke for her extensive help, and the staff of the Sheffield University Library, the American University in Cairo Library, the Hallam University Library, and the Sheffield City Library.

Finally, I owe many thanks to all my friends, colleagues, and associates who provided me with important information and helped me better understand my subject. There names include: Vincent Ferraro, Jonathan Perraton, David Higgins, Ankie Hoogvelt, Stephen George, Nick Howard, Philip Cerny, Wyn Grant, Geoffrey Underhill, Fred Halliday, Jagdish Bhagwati, Martin Walker, Randall Germain, Mike Kenny, Andrew Philip Barker, Tony Heron, Andreas Bieler, Tarek Kashif, Antony Billingham, Gregg DeYoung, John Richardson, Inas Salem, Mahmoud El-Louzy, and the editors of *The National Interest*, *Commentary*, *Foreign Affairs*, and *Foreign Policy*.

Sheffield, 23<sup>rd</sup> October 2000

*Dedication*

I would like to dedicate this thesis to the people of Palestine.



**CONTENTS:**

**SUMMARY:**.....ii

*Acknowledgements*.....iii

*Dedication*.....iv

**INTRODUCTION:** .....1

**CHAPTER ONE – INTRODUCING THE NEO-GRAMSCIAN APPROACH:**

**HEGEMONY AND THE SIGNIFICANCE OF IDEAS AND INTELLECTUALS**

.....5

**Introduction:** .....6

**Section 1 –The Neo-Gramscian Approach: Background and Key Concepts**.....7

**1.1 – The Neo-Gramscian Approach and the New International Political Economy:**

.....7

**1.2 – The Dual Nature of Domination: Power and Legitimacy in the Gramscian**

**Perspective**.....10

**1.3 – The Intellectual Arena of Hegemony: Organic Intellectuals and the Ideational**

**Instruments of Power**.....12

<b><u>Section 2 – Historicising Globalism: US Hegemony and the American Historical Bloc</u></b> .....	23
<b><u>2.1 – Defining Globalism: Distinctions, History, and the Consensual Element</u></b> .....	23
<b><u>2.2 – The Economics of American Globalism: The External Imperative and the Formation of the American Historic Bloc</u></b> .....	26
<b><u>2.3 – The Geopolitics of American Globalism: The Soviet Threat to the Establishment, and the Embedded Liberal Response</u></b> .....	37
<b><u>Section 3 – Globalism, Globalisation and Decline: The Breakdown of American Hegemony and its Historic Bloc</u></b> .....	48
<b><u>3.1 – The Internal Consequences of Globalisation and Decline: The Dissolution of America’s Historic Bloc and Hegemonic Establishment</u></b> .....	48
<b><u>3.2 – Setting the Hegemonic Context for the New Era: The End of America’s Internal and External Hegemony</u></b> .....	59
<b><u>Section 4 – Plan of Thesis:</u></b> .....	67
<b><u>CHAPTER TWO – THE BREAKDOWN OF AMERICA’S GLOBALIST HEGEMONIC PROJECT: THE GEOPOLITICS AND GEO-ECONOMICS OF THE BUSH-CLINTON ERA</u></b> .....	70
<b><u>Introduction:</u></b> .....	71
<b><u>Section 1 – The Changing Economics of Globalism: Multilateralism, Regionalism, and the Economics of Consent</u></b> .....	73

<u>1.1 – The New World Economic Order: Economics as National Security in the Geo-Economic Age.....</u>	<u>73</u>
<u>1.2 – America’s Post-Cold War Trade Strategy: Globalism, Coercion and the GATT Uruguay Round.....</u>	<u>84</u>
<u>1.3 – The Regionalisation of US Trade Policy: The Configuration of Hegemonic Forces Behind NAFTA.....</u>	<u>88</u>
<b><u>Section 2 – From Old World Order to New World Disorder: The Rhetoric and Reality of US Security Strategy.....</u></b>	<b><u>99</u></b>
<u>2.1 – America’s Changing Security Architecture: From Global Stability to Regional Contingency.....</u>	<u>99</u>
<u>2.2 – The Place of Transatlantic Relations in the New Era: European Security and the Growing Economic Agenda.....</u>	<u>111</u>
<u>2.3 – The Merging of Geo-Economics and Geopolitics: Japan, East Asian Policy and the Big Emerging Markets.....</u>	<u>121</u>
<b><u>Section 3 – Conclusion:.....</u></b>	<b><u>138</u></b>
<b><u>CHAPTER THREE – IDEAS AND INTERESTS IN THE MAKING OF US ‘GRAND STRATEGY’: INTELLECTUALLY ADAPTING AMERICA TO THE NEW ERA.....</u></b>	<b><u>140</u></b>
<b><u>Introduction:.....</u></b>	<b><u>142</u></b>

<b><u>Section 1 – From the National Interest to National Identity: The Specifics of the American Dilemma and the Nature of the Foreign Policy Debate.....</u></b>	<b>143</b>
<u>1.1 – Framing the Context of the Foreign Policy Debate: The Crisis of National Identity and the Existential Dimension of the US Dilemma.....</u>	<u>143</u>
<u>1.2 – Identity Politics and the American Dilemma: Revisionism and the Balance of Political Power.....</u>	<u>151</u>
<u>1.3 – The Dialectics of American Foreign Policy and Identity: The Establishment’s Image of America and the World.....</u>	<u>155</u>
<u>1.4 – The Establishment’s ‘Vision’ of America: Reconciling Competing Visions and Factions.....</u>	<u>160</u>
<u>1.5 – Exceptionalism and the Place of Intellectuals in the Policymaking Process: US Civil Society and the Relationship of Intellectuals to the Establishment.....</u>	<u>173</u>
<b><u>Section 2 – The Contours of the Policy Debate: Globalism, Exceptionalism, and the New Schools of Thought.....</u></b>	<b>179</b>
<u>2.1 – The Current Positions: The Importance of Categorising the Various Schools of Thought.....</u>	<u>179</u>
<u>2.2 – Primacy/Preponderance: <i>Coercive</i> Globalism Embraced, Disguised as Consent .....</u>	<u>180</u>
<u>2.3 – Neo-Isolationism: Globalism Rejected, Consensual <i>and</i> Coercive.....</u>	<u>185</u>
<u>2.4 – New Internationalism: Consensual Globalism Resurgent, with no Coercion... </u>	<u>193</u>
<b><u>Section 3 – Conclusion:.....</u></b>	<b>200</b>



<b><u>CHAPTER FOUR – GEOPOLITICAL INTERPRETATIONS OF THE NEW ERA: THE QUEST FOR CERTAINTY AND THE SEARCH FOR NEW ENEMIES</u></b> .....	202
<b><u>Introduction:</u></b> .....	203
<b><u>Section 1 – Samuel P. Huntington and the ‘American’ Clash of Civilisations:</u></b>	
<b><u>Realism and Geopolitics in Disguise</u></b> .....	205
<b><u>1.1 – The Question of Chronology: Why Civilisations, and Why Now?</u></b> .....	205
<b><u>1.2 – The Focus of Huntington’s Thesis: Clash of Civilisations, or Clash Because of Civilisations?</u></b> .....	210
<b><u>1.3 – The Changing Nature of Strategic Discourse: The Rhetoric of Civilisations and the Dilemmas of Realism</u></b> .....	214
<b><u>1.4 – Realism and the Disintegration of ‘the West’: Preponderance and the Clash of Western Civilisations</u></b> .....	219
<b><u>1.5 – Decline and the Internal Dimension: Huntington as an ‘American’ Geopolitician</u></b> .....	225
<b><u>1.6 – The Hegemonic Function of the Clash of Civilisations: Decline, Renewal and Exceptionalism</u></b> .....	237
<b><u>Section 2 – Zbigniew Brzezinski and the Paradoxes of American Power:</u></b>	
<b><u>Globalisation and the Necessity of Geopolitics</u></b> .....	252



<u>2.1 – Hegemony and the New World Disorder: The Ideological Imperative of American Primacy</u> .....	252
<u>2.2 – The Geopolitical Foundations of the New World Order: Primacy, Hegemony, Anarchy and the Eurasian Heartland</u> .....	263
<u>2.3 – The Democratic Foundations of American Hegemony: The Domestic Need for Empire and the American Geopolitical Tradition</u> .....	280
<b><u>Section 3 – Henry Kissinger and the Challenge of Balancing Powers: The Fusion of Idealpolitik and Realpolitik</u></b> .....	292
<u>3.1 – Diplomacy in the American Tradition: Wilsonianism and the Realist Predicament</u> .....	292
<u>3.2 – Regionalisation and Geopolitical Equilibrium: The Realpolitik Foundations of the New World Order</u> .....	300
<u>3.3 – Western Primacy and the Russian Threat: The Psychology of Imperialism and the Logic of Realism</u> .....	310
<b><u>Section 4 – Conclusion:</u></b> .....	323
<b><u>CHAPTER FIVE – GLOBALISATION AND THE CHANGING ECONOMICS OF GLOBALISM: THE DEVELOPING DOCTRINE AND NARRATIVE OF GEO-ECONOMICS</u></b> .....	327
<b><u>Introduction:</u></b> .....	329

<b><u>Section 1 – The Three-Bloc/Geo-Economic Paradigm: The New Language of International Relations</u></b> .....	331
1.1 – <u>Historical Transformations: Geo-Economics Contrasted with Geopolitics</u> .....	331
1.2 – <u>The Geopolitical Logic of Geo-Economics: American Decline and the Shape of the World to Come</u> .....	334
1.3 – <u>Cold War and Post-Cold War Positions: Trade Policy and the Changing Status of Globalism</u> .....	344
<b><u>Section 2 – The ‘Strategic’ Traders: Trade Theory, Industrial Policy, and the Meanings of Competitiveness</u></b> .....	351
2.1 – <u>Diverging Conceptions of the ‘Strategic’: Economic and Political Discourse, and the Industrial Policy/Competitiveness Debate</u> .....	351
2.2 – <u>Strategic Industries and Corporate Welfare: Globalisation, Clintonomics, and Mercantilist Conceptions of Competitiveness</u> .....	362
<b><u>Section 3 – Revisionism and the Wider Significance of Geo-Economics: US Decline, Japan and the Place of Liberal Political Economy in the New Era</u></b> .....	380
3.1 – <u>Geo-Economics and Japan: The Revisionist Assault on Mainstream Liberal Political Economy</u> .....	380
3.2 – <u>The Agenda of Revisionism: Remaking America in <i>Japan’s</i> Image</u> .....	391
3.3 – <u>Japan in the American Mind: Geo-Economics or Geo-Culture?</u> .....	401
<b><u>Section 4 – The Needs of Geo-Economics and the Need for Geopolitics: The New Mercantilism as Corporate Welfare, and Japan as the Unifying Threat</u></b> .....	414

<u>4.1 – The Controversy over Industrial Policy: Jefferson and Hamilton Revisited.....</u>	414
<u>4.2 – The Internal Imperative and the Need for an Enemy: Geo-Economics or Geopolitics.....</u>	422
<u>4.3 – The Geo-Economists as Organic Intellectuals: Globalisation and the Efficacy of Neo-Mercantilism.....</u>	433
<u>Section 5 – Conclusion:.....</u>	445
<b><u>CHAPTER 6 – SUMMARY AND CONCLUSIONS: THE STATUS OF AMERICAN GLOBALISM IN THE POST-COLD WAR, POST-HEGEMONIC ERA.....</u></b>	<b>448</b>
<u>Introduction:.....</u>	450
<u>Section 1 – What is Globalism? A Broader Perspective on Consent and Hegemony in the American Context.....</u>	452
<u>Section 2 – The Place of Globalism in the Foreign Policy Debate: The Changing Theory, Practice, and Social Basis of Globalism.....</u>	458
<u>Section 3 – Conclusion: The Fate of Globalism.....</u>	473
<u>BIBLIOGRAPHY: .....</u>	480

## **INTRODUCTION:**

To live bravely by convictions from which the free peoples of this world can take heart, the American people must put their faith in stable, long-range policies--- political, economic, and military---programs that will not be heated and cooled with the brightening and waning of tension... The United States has matured to world leadership; it is time we steered by the stars, not by the lights of each passing ship.

General Omar Bradley

(quoted in Kwinty, 1984, 1).

Gosh, I miss the Cold War... The question now is to persuade people they should do things when they are not immediately threatened.

Bill Clinton

(quoted in White, 1997, 256).

Without ideological content imperialism soon dies off.

Karl Haushofer

(quoted in Parker, 1985, 73).



My objective in this thesis is to try and determine how the US ideology of globalism has fared in the post-Cold War era, with specific reference to the current foreign policy debate, which began from the time of the collapse of European communism in the 1989-1991 period, and is still raging in America today. Determining the fate of globalism is very high on the agenda of the international relations community because globalism was the paradigm of America's Cold War foreign policy. The Cold War as a whole was central to US foreign policy since it provided the justification for America's global presence, both internally and externally. The US public is historically isolationist and stratified ethnically, while the US state is highly fragmented and prone to stasis. The major force that united the public and the state apparatus was the (perceived) communist threat. The Cold War is also what united America and its allies. With the end of the Cold War all these unifying tendencies have disappeared, and the very existence of globalism is under threat.

I am not primarily interested in the particular globalist policies the US has pursued since 1989 (the end of the Cold War era), although these will have to be considered. Far more important to this thesis are the various justifications given by the multifaceted entity that is the US state, and its attendant intellectuals. It is not the policies themselves, but the underlying logic behind them that is the proper subject of this doctorate. The subject of this thesis is thus the *political ideas* being put forward by the foreign policy establishment and the political community at large in the US. Globalism is not so much a policy as a fixed *set of ideas* that guided the US throughout the Cold War. This fixed set has unravelled thanks to the titanic shifts the world has gone through with the end of the Cold War and the collapse of communism. A vacuum of sorts has developed in the American political mind with fixed ideas



giving way to a sense of fluidity, flux, and confusion. As such, our focus is on the *debate amongst America's intellectuals* as to the future of American foreign policy, and how globalism fits into this, if it fits in at all. Most important of all, our study of this debate among the intellectuals must be framed in neo-Gramscian terms, conceptualised in this framework. To do this we must first frame globalism itself in neo-Gramscian terms, and from there also articulate the various intellectual responses in neo-Gramscian terms.

Outlining the basic determinants and core features of the neo-Gramscian approach itself is the purpose of Chapter 1, so I will only highlight the relevant features for this introduction. On the material level the neo-Gramscian approach is interested primarily in the productive structure and the nature of the economic and political elites. On the ideational level it focuses on the ideologies produced by these elites and implemented by the state in their service. The connection between the ideas produced by elites, and the broader structures and transformations within a society are the hallmark of this approach, and political economy analysis in general. But this thesis is primarily interested in the ideological half of the neo-Gramscian project. The changing nature of the elites and productive structure that produces these ideologies are obviously relevant, but are of secondary importance here, and references to them will be kept to a minimum. Our account does need a degree of material grounding, but a full-scale material account of the state of America and the world, let alone a fully integrated account of all the relevant ideological and material transformations, is a subject for many theses, not even one.

Moreover, another important point we have to make early on is the distinction between 'ideational' and 'ideological'. Ideational is a much broader term than ideological since it covers the wider range of different ideas and different kinds of

ideas, such as theories, paradigms, values, perceptions, *and* ideologies. Ideology is something ideational, a particular kind of ideational factor. As we shall see below, this thesis does not limit itself to an exclusively neo-Gramscian perspective, but draws heavily on other literatures in an eclectic fashion. Likewise, globalism has to be placed in a wider ideational context. In this respect, the focus of this thesis is primarily *ideational*.

Before proceeding, a final word on the historical scope of this thesis. The period under study is the post-1989 period, the post-Cold War era. But there are relevant themes that bring in crucial moments and episodes in America's pre-1989 history, the most important of which was the theoretical formulation and actual adoption of globalism itself. Globalism was not only a product of the Cold War but also a source of the Cold War. Globalism has a historical background that precedes the Cold War. But this history cannot be dealt with chronologically here since this would take up too much of this thesis; work that is better spent on the present, not the past. Various aspects and episodes of all of America's history are all highly relevant, but will only be brought to bear, as need dictates. At the historical level the objective of this thesis is "not to bring forward new evidence" about these important events, "but rather to retell familiar events by reference" to the neo-Gramscian approach (Payne and Gamble, 1996, 10). We will seek to shed new light on past events and look at them from a new perspective. With all these clarifications and qualifications in mind, we can now proceed to begin the first chapter, and move to the heart of the thesis.

## CHAPTER ONE –

### INTRODUCING THE NEO-GRAMSCIAN APPROACH: HEGEMONY

#### AND THE SIGNIFICANCE OF IDEAS AND INTELLECTUALS

It may be ruled out that immediate economic crises of themselves produce fundamental historical events; they can simply create a terrain more favourable to the dissemination of certain modes of thought, and certain ways of posing and resolving questions involving the entire subsequent development of national... life.

Antonio Gramsci  
*Selections from the Prison Notebooks*

(quoted in Rupert, 1997, 113).

The strongest is never strong enough to be always the master, unless he transforms strength into right and obedience into duty.

Rousseau  
*The Social Contract*

(quoted in Ikenberry and Kupchan, 1990, 49).

Geography is the constant factor in the making of history.

President de Gaulle in a hand written letter  
to president Abd El-Nasser, 26 August 1967

(quoted in Heikal, 1986, 61).



## Introduction:

This chapter will introduce the central theme of the thesis, that is, what is the nature and purpose of globalism, as understood in neo-Gramscian terms? The chapter begins with a brief outline of the particular theoretical approach this thesis is based on, and the core concepts and issues of this approach. This is an essentially methodological exercise that gives us the conceptual tools with which to study and understand US globalism. From there the chapter moves to the real world and outlines the central features of American globalism, as well as outlining the nature of globalism itself *in abstracto*. Key here is the elaboration of the core concept of globalism, its varieties, its distinctiveness from globalisation, and the purposes behind the American hegemonic project that utilised it as a strategic paradigm. The development of the American globalist project from its inception in the post-war era is also briefly set out, serving as historical background for much of the rest of the thesis. The chapter ends with a summarised outline of the plan of the whole thesis, with an explanation of the contents of each chapter till the conclusion is reached.

## Section 1 – The Neo-Gramscian

### Approach: Background and Key Concepts

#### 1.1 – The Neo-Gramscian Approach

##### and the New International Political Economy:

The theoretical approach I will use throughout this thesis is the neo-Gramscian approach to International Relations; one approach in the larger New International Political Economy (new IPE) literature. The “founding document of new IPE” was an article by Robert W. Cox entitled “Social Forces, States and World Orders: Beyond International Relations Theory”, published in the journal *Millennium* in 1981. New IPE arose largely in response to views developed by mainstream IPE to analyse the causes and consequences of the major international changes that occurred in the 1970s, namely, the collapse of the Bretton Woods system, America’s disastrous war in Vietnam, and its bad economic performance. The post-war world economic order was in tatters while America’s dominance of international affairs appeared to be wavering thanks to Vietnam. Also important was the period of the 1980s, which represented an American attempt to reassert economic and political hegemony by the Reagan administration. The issue of ‘hegemony’ and its relationship to ‘world order’ were raised, and it was this that led to New IPE being born.

In its present state the New IPE “constitutes a loose college of scholars and a diverse range of approaches” including “neo-structuralists,... institutionalist economics, the French regulation school” and, most importantly for this thesis, the



“neo-Gramscian and Gramscian schools” (Payne and Gamble, 1996, 9). It also includes theorists outside of the IR discipline that adopt similar positions to them or engage in critical debate with them, such as sociologists like Leslie Sklair and Ankie Hoogvelt. What this diffuse group has in common is, firstly, a “commitment to give due weight to both structure *and* agency” and, secondly, an “awareness that globalisation... is... sufficiently developed to have established a new context within which IPE has to be rethought” (Payne and Gamble, 1996, 9-10). The “key relationships” now are “no longer national but transnational” (Gamble, 1995, 522). It must be made clear from early on, though, that neither the structure/agency debate, or the debate on globalisation are central to the contents of this thesis. This thesis is primarily empirical, meaning that the strictly methodological and theoretical debate about structure and agency need not be explored here.

It is true to say that globalisation does touch on many topics dealt with throughout this work, but globalisation itself and the whole debate over what it means and whether it exists or not, is *not* one of these topics. This thesis is about ideas and how ideas are being used in the foreign policy debate in America. This *does* mean that globalisation is an issue insofar as it bears on the foreign policy debate *in* America. Rather, what is at issue here is *how* Americans think *about* globalisation, and how much of an issue it is to them given their other concerns. Our exercise is fundamentally subjective, dealing with ideas about globalisation, but never dealing with the question of how ‘accurate’ these ideas are in any objective sense of the word. For the purposes of this thesis the understanding of globalisation used here is taken from the New IPE literature, and its distinction between what is ‘international’ and ‘global’ (see Payne and Gamble, 1996, and Gamble, 1995). The main difference between an international and a global economy is not ‘scale,’ since both are world-

wide or global in reach (hence, the word globalism), but rather *how* social relations are organised *at this* scale. This is the key factor. An international economy is based on “state-centrist forms”, where capitalism turns on a “national-international axis based on the existing and changing hierarchy of nation-states” (Sklair, 1996, 1971-1972). The development of a global economy would involve a shift to a “*qualitatively* new global axis, *not* based on the existing and changing hierarchy of nation-states” (Sklair, 1996, 1972; my italics).

What is most important to us about this group of IPE thinkers is the broader methodological approach they take in relation to hegemony and world order, and the theoretical and empirical innovations and contributions they have made to the literature on these subjects. Since the ideas being debated in America today centre round ‘globalism,’ it is best to discuss both globalism *and* the debate about globalism within the overall frame of how these thinkers deal with hegemony and world order. More specifically, I try to conceptualise these concepts – globalism, hegemony, world order – in neo-Gramscian terms, and apply this conceptualisation to the actual debate occurring in the US today. At the broadest level I will adopt the methodology of New IPE theorists, which is to approach matters in an *eclectic* fashion. They often draw from each others writings, concepts, methods, and readings of history, while the neo-Gramscians in particular encourage multi-disciplinarity and oppose the rigid classification of the social sciences into such separate disciplines as sociology, economics, and politics. The ideational nature of our thesis, and the ideational nature of globalism itself, necessitates such an approach.

## 1.2 – The Dual Nature of Domination:

### Power and Legitimacy in the Gramscian Perspective

The core concept of the neo-Gramscian approach around which all its theorising revolves is the concept of *hegemony*. Hegemony on a purely linguistic level denotes such terms as authority, leadership, ascendancy, supremacy, command, domination and power. As can be seen from these words, the concept centres round the notion of *power* in its various forms, and *how* that power is exercised. The term is dualistic in nature, denoting the *nature* of power and domination, while also dealing with the grounds for the *legitimacy* of that domination. The great Italian thinker Antonio Gramsci, whose writings form the starting point of the neo-Gramscian approach, used this word in this fashion. For Gramsci the dualism of hegemony represented a dichotomy in Italian political thought between ‘force and consent’. Gramsci’s concerns were over different modes of “social control” and he developed this concept within the context of an overall “sociological theory of power” (Femia, 1981, 24; Augelli and Murphy, 1988, 117). Social control can take two basic forms, the first of which involves the “influencing of behaviour and choice *externally*, through rewards and punishments” (Femia, 1981, 24; italics in original). This covers a coercive form of domination, with no presumption of legitimacy or consent. The second form involves “*internal* control”, the “moulding of personal convictions” and preferences into a “replica of prevailing norms” (Femia, 1981, 24; my italics). As Susan George puts it, “get into people’s heads and you will acquire their hearts, their hands and their destinies” (Susan George, 1997, 51). Such internal or mental control not only pacifies opposition and keeps it under control, but also gives the ruling party the opportunity to transform the lower classes into supporters of the status quo ante.



Only hegemony can transform the working classes into a 'loyal opposition' (see Cafruny, 1990).

This is hegemony as Gramsci understood it, a description of the "predominance obtained by *consent* rather than force of one class or group over another" (Femia, 1981, 24; italics in original). Hegemony, therefore, is a *form* of dominance, but dominance in itself is not hegemony. Gramsci's intellectual mentor here is Machiavelli, who famously likened power in its duality to the mythical centaur, which was "half man, half beast, a necessary combination of consent and coercion" (Robert Cox, 1983, 164). This dualism is superimposed onto the international stage by neo-Gramscians, applying Gramscian concepts, distinctions and theory to states, whereas he only really applied them to classes within states. Paralleling this dual split of social control is the distinction neo-Gramscians draw between the 'material' and 'nonmaterial' bases of power in international relations (see Ikenberry and Kupchan, 1990). The first refers to how states use tangible forms of power, military and economic, as material 'incentives' to alter the behaviour of other states. The second looks at power as the power to persuade, where relations between states are based on consent. More importantly, Gramsci also conceived of hegemony as serving a broader function by means of these alternative modes of social control. For him hegemony also referred to the particular kind of "*order*" that existed in a "*stable capitalist society*" characterised by a "common social-moral language" (Femia, 1981, 24; italics in original).

Consent was seen as a prerequisite to establishing such an order, a condition that gave a particular slant and emphasis to different forms of social reality. For neo-Gramscians the very "underlying issue to which" hegemony relates in international relations is that of "*order, of how stability is maintained*" in international affairs

Only hegemony can transform the working classes into a 'loyal opposition' (see Cafruny, 1990).

This is hegemony as Gramsci understood it, a description of the "predominance obtained by *consent* rather than force of one class or group over another" (Femia, 1981, 24; italics in original). Hegemony, therefore, is a *form* of dominance, but dominance in itself is not hegemony. Gramsci's intellectual mentor here is Machiavelli, who famously likened power in its duality to the mythical centaur, which was "half man, half beast, a necessary combination of consent and coercion" (Robert Cox, 1983, 164). This dualism is superimposed onto the international stage by neo-Gramscians, applying Gramscian concepts, distinctions and theory to states, whereas he only really applied them to classes within states. Paralleling this dual split of social control is the distinction neo-Gramscians draw between the 'material' and 'nonmaterial' bases of power in international relations (see Ikenberry and Kupchan, 1990). The first refers to how states use tangible forms of power, military and economic, as material 'incentives' to alter the behaviour of other states. The second looks at power as the power to persuade, where relations between states are based on consent. More importantly, Gramsci also conceived of hegemony as serving a broader function by means of these alternative modes of social control. For him hegemony also referred to the particular kind of "*order*" that existed in a "*stable capitalist society*" characterised by a "common social-moral language" (Femia, 1981, 24; italics in original).

Consent was seen as a prerequisite to establishing such an order, a condition that gave a particular slant and emphasis to different forms of social reality. For neo-Gramscians the very "underlying issue to which" hegemony relates in international relations is that of "*order, of how stability is maintained*" in international affairs



through making “normative claims about the role of the hegemon” within that order (Burman, 1991, 27; Ikenberry and Kupchan, 1990, 49; my italics). In Robert Cox’s famous definition, hegemony in international relations is dominance of:

a particular kind where the dominant state creates an order based *ideologically* on a broad measure of *consent*, functioning according to general principles that in fact ensure the continuing supremacy of the leading state or states and leading social classes *but* at the same time offers some prospect of *satisfaction* to the less powerful.

(Robert Cox, 1987, 7; my italics).

The reason why consent is favoured over coercion is that the poverty and economic chaos that capitalism creates could very well generate so much opposition that capitalism itself would become impossible. Consent ensures stability in the long run, something coercion alone can never do, given the internal contradictions of capitalism. Global dominance, thus, must take a very indirect, subtle form if it is to ensure stability, and base international power relations on both ideological and material premises.

### 1.3 – The Intellectual Arena of Hegemony: Organic

#### Intellectuals and the Ideational Instruments of Power

The dual nature of power and hegemony originates from Gramsci’s dual split of social reality into ‘objective’ and ‘subjective’ – the Marxian split of base and superstructure. The subjective refers to ideas, the entire subjective contents of a society (attitudes, perceptions, theories, myths, etc.), whether they exist in peoples’ minds or a more permanent form. The objective refers to class formations in, and the

productive and technological substructure, of a society. The arena in which ideology is created and disseminated is called “civil society”, the “intermediary sphere” that exists between and includes elements of the economic substructure and political/cultural superstructure (McLennan, 1977, 47). This is where the objective and subjective collide, interact and intermingle. In Cox’s famous phrase, “ideas and material conditions are always bound together, mutually influencing each other, and not reducible to each other” (Robert Cox, 1983, 168). Civil society includes institutions from both the public and private spheres, such as political parties, the press, schools, the church, and even the family. It is through these institutions that civil society operates to “shape, directly or indirectly, the cognitive and affective structures whereby men perceive and evaluate problematic social reality” (Femia, 1981, 24).

Gramsci used this conception of civil society to deal with another dichotomy in political thought, that between ‘civil’ and ‘political society’. This distinction for Gramsci was, in essence, ‘analytical’ since the state and civil society were only distinct in principle, while interpenetrated in reality. For Gramsci, the “State = political society + civil society, that is hegemony armoured by coercion” (Gramsci, quoted in Femia, 1981, 28). Following Gramsci, neo-Gramscians do not see the state in the same way that realists do. Neo-realists see the state as unitary, undifferentiated, and homogenous. All states are essentially the same as far as international relations are concerned, the pursuit of power and interest being their only concern in this arena. For neo-realists the state consists exclusively of the government apparatus and the coercive methods of state. Gramscians instead see the state as the “entire complex of political and theoretical activity by which” the dominant class rules (Gramsci, quoted in Femia, 1981, 28). It is an “enlarged” state which “includes its social basis” (Robert Cox, 1983, 169). Neo-Gramscians deal with the state through the intellectual

construct of what Robert Cox calls a 'state-society complex'. This is a "*complex of relations* between classes, within classes, and between classes and the state" (Stant, 1996, 80; my italics).

When these relations are organised in such a way that a class dominates others via the state, and legitimates this wielding of that state power through an ideological consensus, this complex becomes a 'historic bloc'. A historic bloc is the product of a hegemonic configuration of power within a state-society complex. Hegemony comes about when a particular " 'fit' between power, ideas and institutions" comes to ensure the "stability of capitalist class relations" within and between states (Hoogvelt, 1996, 10). This internal configuration of power is what gives the hegemonic class the opportunity to wield the different instruments of social power, and particularly the internal mode of social control. This consensual ordering of economic and social relations also "enables the individual and institutional representatives" of the dominant group to "capture and control key" positions that allow them to "set agendas, set the terms of the debate, and draw the boundaries of legitimate state authority" (Stant, 1996, 80). These representatives of the dominant group within a historic bloc are known as its 'organic intellectuals'. They are called 'organic' because they are "*organically tied* to the hegemonic class" (Augelli and Murphy, 1988, 123; my italics). Their interests are representative of the interests of the system, and the classes the system serves.

Their role is to "represent the ideas that constitute the terrain where hegemony is exercised" (Augelli and Murphy, 1988, 123). They must "demonstrate in every field of knowledge" that the interests of the hegemonic class "*coincide* with the interests of society as a whole" (Augelli and Murphy, 1988, 123; my italics). This is a wide ranging exercise that covers the construction of a "coherent worldview" that



encompasses “philosophy, political theory, and economics” (Augelli and Murphy, 1988, 123). The exercise of transcending the upper class’ narrow economic interests involves transcending “more limited economic concerns” in public discourse and providing the people with “moral and intellectual leadership” (McLennan, 1977, 47; Stevenson, 1995, 16). Other intellectuals, known as the “traditional intellectuals,” are incorporated into the ideological project of the organic intellectuals through “institutional pressures and financial inducements” (Femia, 1981, 131-132). For Gramsci, the role of intellectuals – whether organic or traditional – in society is to “sustain, modify, and alter the modes of thinking and behaviour of the masses” (Femia, 1981, 130). Gramsci generally rejected the prevalent image of intellectuals as a “category independent of class” (Femia, 1981, 130). Intellectuals are the “purveyors of consciousness”, and the “form and content of this consciousness must be rooted in the world of production” (Femia, 1981, 130).

For Gramsci, ideology affects “every aspect of social life” and operates on two levels, “high” and “low” (McLennan, 1977, 49). The higher level covers the value-judgement systems that determine our attitudes to political and economic relations in society. It deals with the more fundamental questions of political economy, policy, state and society and, by extension, the realm of the international and how the state fits into it. The lower level deals with the normal, taken-for-granted practices and perceptions of day-to-day life. It operates on the level of what Gramsci calls “common sense”, the very “way of thinking” of the masses (McLennan, 1977, 49). It is much more basic, less intellectually sophisticated and aimed at a broader audience. Gramsci used the word ‘common sense’ in a very special way that bears on our analysis. Common sense in layman’s terms refers to what is taken-for-granted, the facts of life about how things happen in a society. It is socially constructed since what is taken-for-

granted in one society is not so in another. Common sense, as a philosophical term, refers to what is considered to be indubitable from an empirical perspective, that is, your immediate sensory perceptions, what you can see directly before your eyes, and what you can touch, smell, hear and taste. Gramsci rolled these two usage's together, trying to demonstrate that our immediate perceptions and impressions of the world, which are usually taken as obvious and indubitable, are in fact socially constructed. The nature of the society around us effects how we see things immediately before us. Individual human perceptions are invariably tied to the culture of the rest of society, since this culture frames how we see things through its precepts, assumptions, and concepts. The very measure of an ideology's "historical effectiveness" is its ability to use "scientific ideas and philosophical opinions" to effect the shape and discourse of "everyday life" (Gramsci, quoted in Femia, 1981, 132).

But the political function which organic intellectuals serve does not only cover the articulation of consensus among competing groups in society at the 'ideological' level. Gramsci firmly believed that, if hegemony was to be "ethico-political, it *must* also... have its foundation in the decisive function" and "nucleus of economic activity" (Gramsci, quoted in Femia, 1981, 24; my italics). For Gramsci hegemony included a central "*policy dimension*" (Cafruny, 1990, 104; my italics). The hegemonic class does not simply use the state for "parochial ends," but also "incorporates some of the aspirations of subordinate groups within its economic project" (Cafruny, 1990, 104). It is the responsibility of the organic intellectuals to devise policies that "*simultaneously* produce consent even as they serve the long-range" interests of the ruling elites (Cafruny, 1990, 104; my italics). The corollary of this on the international scale, as we know from Robert Cox's definition above, is the construction of a world order that provides tangible material benefits to other states and their elites, while



serving the long-term interests of the hegemonic power and its elites. Hegemony, whether at the level of classes or states, is a “*progressive* relation of domination” (Cafruny, 1990, 104; my italics). This process in essence refers to the age-old adage that you have to give a ‘little to keep a lot’, the material grounding of legitimacy (see Parenti, 1988).

Organic intellectuals also serve a very important function *internally*, in relation to the affairs of their own class. They give the hegemonic class itself a degree of “homogeneity” and a sense of “awareness” of its “own function not only in economic, but social and political fields” (Gramsci, quoted in Femia, 1981, 130). The concept of ‘class consciousness’ is just as applicable to the capitalist class as it is to the working classes. It is best to conceive of a class as a group of people that are not in the immediate view of its members, providing no organic link between individual and group, and no sense of natural connection between its members. Shared economic interest dictated by class position, assuming that this is a viable assumption in itself, will not bind a class together and give it a sense of position, interest and shared destiny. In this way classes are much like national communities, famously described by the Marxian theorist Benedict Anderson as “imagined communities” (Anderson, 1983, 15). Creating this sense of belonging demands the considerable use of the imagination on the part of members to bind themselves together into a cohesive unit.

As John Hall put it, classes “quite as much as nations have to be imagined” (Hall, 1994, 25). A capitalist class is obviously much smaller than a national community and is has much more in common in terms of values and economic interests, but it is always likely to be divided internally along sectoral, geographic and often ethnic and religious lines. A capitalist class must therefore be ‘imagined’ into existence if it is to become a social and political reality. In the Gramscian schema this



of the organic intellectuals. A class cannot become dominant if it is not aware of itself as an entity that has interests over and above the aggregate of the interests of its individual members. A class cannot transcend its immediate interests and spread benefits to other groups if it cannot transcend its own divisions and think in long-run, strategic terms. As Leslie Sklair put it, capitalism “*does not* just happen”, it has to be *made* to happen (Sklair, 1997, 514; my italics). The hegemonic process is not exclusively driven by the inexorable logic of capitalism, without any intellectual input and any ideological mobilisation. Following Gramsci, Leslie Sklair advises that we look at hegemonic classes as “social movements”, groups of people that have to develop agendas through collective action by drawing on their class resources and developing common positions (Sklair, 1997, 524). This also injects a considerable degree of *contingency* and *unpredictability* into our approach because the particular hegemonic configurations do not come about by themselves but have to be consciously created. The rule of the upper class is the result of “concerted, long-term ideological effort on the part of identifiable actors”, and not the result of abstract social forces (Susan George, 1997, 47).

Given that agency has an important role to play here, such configurations are susceptible to error and the need for modification. The very success of a hegemonic project is not guaranteed by the logic of capitalist relations. Of particular importance in this regard is the issue of “business solidarity”, a consensus among the leaders of the business world needed to “hold together” a historic bloc (Stant, 1996, 80). Without such solidarity “ideological business conflict” – economic conflict spilling into the ideological arena – sets in and the hegemonic class breaks up into its different factions (Stant, 1996, 80). Organic intellectuals, and especially those responsible for the making of policy, have a central role to play in bringing together these different

business groups. The whole apparatus of the state and its ability to determine interests, make policy, justify action, and create consensus comes to the fore here. Hegemonic classes have a role to play in constructing states, but states also have a role to play in constructing – or at least maintaining and stabilising – hegemonic classes. The state, and the intellectuals it shares with the hegemonic class, must develop a coherent definition of what constitutes the ‘national interest’ in all matters from economic to social to security policy. It is the very notion of national interest that subsumes under its mantle the differing economic interests of powerful and weak groups, different powerful groups, and different factions within a powerful group. The relationship between the state and its social basis is a two-way relationship. Though the state essentially represents these interests, it does still “play an *autonomous* role” in representing these interests (Robert Cox, quoted in Rupert, 1990, 73; my italics).

Before we finish off this section and begin to apply these concepts to the particular case of post-war America, we have to highlight the issue of *historicity*. Gramsci injected a considerable degree of “historicism” into his work instead of taking a “more abstract, systematic, universalistic and non-historic” approach (Robert Cox, 1983, 162-163). For Gramsci, historic blocs are not “static, but rather historical; always in conflict and in dynamic flux” (Ronald Cox and Skidmore-Hess, 1999, 74). Gramsci dealt with historicism specifically in the context of the *variability* of “hegemonic situations”, that is, how the exact “balance between, and the specific manifestations” of the two modes of social control vary considerably from society to society, and within one society over time (Femia, 1981, 46, 29; italics in original). He believed that this variability was “rooted in the dynamics of *historical development*” (Femia, 1981, 46; italics in original). The demands made by and of classes, states and intellectuals change as the socio-economic and cultural context they operate in

transforms itself throughout history. The compromises that need to be made to construct a hegemonic system are thus subject to continuous change. Therefore, hegemony can only be understood and analysed properly if it is placed in its appropriate *historical context*.

Gramsci designates three main levels and types of hegemony: integral, decadent (or declining), and minimal hegemony (list compiled from Femia, 1981, and Cafruny, 1990). Though these terms denote different states of internal hegemony, they can be adapted to describe the hegemonic status of international orders (see Cafruny, 1990). Integral hegemony is the ideal or “paradigm case” which exhibits an “organic... relationship between ruler and ruled, a relationship with no contradictions and antagonisms on either a social or an ethical level” (Gramsci, quoted in Femia, 1981, 46). This is the form of social order characterised by a simultaneous satisfaction of the economic aspirations of both ruler and ruled. Decadent or declining hegemony develops when it becomes difficult to satisfy the demands of both dominant and subordinate groups or states. Disharmony and discord become more pronounced as the “distributions of costs becomes more uneven” (Cafruny, 1990, 103). Minimal hegemony is where the dominant group or state do not “accord their interests and aspirations with the interests and aspirations” of others (Gramsci, quoted in Femia, 1981, 47). Here the rulers do not exercise the function of leadership but only domination, “dictatorship without hegemony” (Gramsci, quoted in Femia, 1981, 48). There still may be consent-building initiatives, but they are predominantly “confined to the upper and middle classes” and the higher level states (Femia, 1981, 48). Hegemony, as properly understood, in so far as it exists is “merely an *aspect* of the function *of* domination” (Gramsci, quoted in Femia, 1981, 48; my italics).

Robert Cox’s originality was of course to adapt this historicisation of



hegemony to the international sphere. According to Hoogvelt, Cox's 'main contribution' to international relations theory lies specifically in his appreciation of historicity. Robert Cox developed a whole "*methodology* for the study of historical change in international political economy" by focusing on the – quintessentially Gramscian – issue of "what makes for stability" (Hoogvelt, 1996, 10). Stability has traditionally been an under-rated topic in international relations. As Ruggie puts it, the mistake historians often make is to "treat stability as a passive coming to rest or a societal inertia that requires no explanation" (Maier, quoted in Ruggie, 1996, 107). In reality, stability is as "challenging a historical problem as revolution" (Maier, quoted in Ruggie, 1996, 107). By comparison, conventional international relations theory deals with stability through the concept of 'system,' an inertial equilibrium-state that comes about through the operation of structures of power. From a Coxian or neo-Gramscian perspective we prefer to use the word 'order' instead because it only indicates a "structure which may or may not have a limited duration in time" (Payne and Gamble, 1996, 8). Order for Robert Cox is "used in the sense of the way things usually happen", and only implies "orderliness" or lack of turbulence (Robert Cox, 1981, 128). The word system is far too rigid and encapsulates the whole realist "frozen objectified image of the world out there" (Jim George, 1993, 218). On a more fundamental level, this reflects Robert Cox's belief that "history is open-ended" (Hoogvelt, 1996, 12). Particular world orders are contingent, depending on the particular configurations of material forces and ideas that exist in particular historical epochs. This insight into the open-endedness of history is also rooted in Gramsci's rejection of Marxian economism and its predictions of the 'inevitable' collapse of capitalism (see Gill, 1993). For Gramsci stability could always be maintained through conscious action on the part of the hegemonic class and the political apparatus, pulling

capitalism back from the brink of disaster, adapting it to ever-changing circumstances and challenges.

Finally, if we are to apply Gramsci's ideas to the subject of this thesis we have to bear in mind that the ideational instruments used to legitimate power *also* have to be historicised. As Gramsci himself put it, common sense is "not something rigid or immobile, but is continually transforming itself," and "enriching" itself with every intellectual innovation that has "entered everyday life" (Gramsci, quoted in Femia, 1981, 132). For the purposes of this thesis we have to historicise the very concept of globalism itself by drawing a distinction between what globalism means in principle, and what it means specifically in the American context. As I shall demonstrate below, 'globalism' should not be treated as a universal precept that is applicable in all situations to all ages, but as something contingent on the unique historical features of the American state-society complex. In this vein I will now go on to apply these concepts to the American case, elaborating further on some of the central themes outlined here, and bearing in mind all these qualifications.

## Section 2 – Historicising Globalism:

### US Hegemony and the American Historical Bloc

#### 2.1 – Defining Globalism:

##### Distinctions, History, and the Consensual Element

To define globalism we have to first draw a distinction between it and globalisation, an important task given that these words are often used interchangeably. It is prudent to make the appropriate distinctions from early on to avoid confusion later in the thesis. The essential underlying distinction between these terms lies in the usage of *ism* and *isation*. An ‘ism’ refers to *policies*, while an ‘isation’ refers to *processes*. Globalism thus refers to a “state-led political project conceived at the global level” (Payne and Gamble, 1996, 2). Globalisation thus refers to a fairly autonomous, undirected set of social and economic processes. This does not mean, though, that these two phenomena are not related in any way. Though globalism is a state-led project, it is one which intends to “reorganise” the world “along defined economic and political lines” (Payne and Gamble, 1996, 2). There is no reason why such a policy would not want to foster globalisation, or end up facilitating globalisation in route. Moreover, globalisation as a process is bound to have an effect on any such globally conceived political project. We have to be careful when making this distinction lest we fall into a rigid agent/structure division. When we talk of the interaction of the two we tend to think of state actors reacting and responding to an autonomous structure that is ‘out there’. But, this is only part of the story since this



structure is the product of the actions and interactions of a multitude of agents, and they can get directly involved in the policymaking process through such activities as lobbying. More importantly, they often have to get involved in policymaking simply because structures – like the market – cannot operate properly without some level of regulation. This is the essence of political economy: the penetration of politics by economic interests and the need of the economy for political interests to establish the political pre-conditions for economic activity. This is how capitalism is ‘made’ to happen.

But what exactly is this globally conceived political project aimed at? Globalism is a rather abstract term and often lacks much content. Strictly speaking, globalism is not identical to hegemony, if globalism is taken at its bare minimum as constituting a policy conceived and applied at the global level. There is no logically necessary reason why such a global project would have to be aimed at creating a consensual order in principle. But, as pointed out above, we should follow Gramsci’s advice and think of such concepts in “loose and elastic” terms which can “only” “attain precision... when brought into contact” with “historical circumstances” (Robert Cox, 1983, 162). Historically, globalism has been conceptualised and associated with a set of policies and an ideology that takes a “hegemonic approach to world order” (Calleo, 1987, 130). It originated in the context of the British empire, the first empire to span the globe, attempt to open its economic borders and run the world according to laissez faire principles. Globalism takes as its “fundamental tenet” the assumption that “stable peace and prosperity in the world require a benevolent hegemonic power---a predominant state managing the world system in the *general cosmopolitan interest*” (Calleo, 1987, 130; my italics). Both realism and idealism begin from the central premise that the nature of relations between states is inherently chaotic and prone to

conflict, given the absence of a supranational authority (an international Leviathan that monopolises force) to organise relations and guarantee security. Though the emphasis on economics and security varies between these two schools of thought, both believe that ‘orderly’ economic and political relations cannot exist without a hegemon, and that having a hegemon is beneficial to all, even though the hegemon may be pursuing its self-interest.

On the economic side globalism involves a commitment to the “management of the world system” through “liberal, or ‘free trade’, policies of global management” (Stephen George, 1996, 33). The laissez faire imputes of the British global project necessitated this because global economic affairs had to be left to themselves if they were to be run according to this economic doctrine. Ideologically the British Empire is an example of what is commonly known as “*liberal or free-trade imperialism*”, imperial domination exercised through industrial power and market penetration (Calleo and Rowland, 1973, 11). The political reality of a demographically weak power like Britain reinforced this because it could not actually force the world into its empire, or force other powerful empires and states to comply by its conditions. This is why *Pax Britannica* was “characterised” by a very real “indifference as to whether or not peripheral states” were independent or not, provided that the “rules of the international economy were observed” (Payne and Gamble, 1996, 10). Economically the empire more or less ran itself, with no need even for “formal international institutions” (Payne and Gamble, 1996, 10). This is not to discount the *realpolitik* foundations of the system, since the rules did have to be “policed” from time to time, with British naval power as the “crucial enforcer” (Payne and Gamble, 1996, 10). Britain’s inability to impose a political regime on all other powerful states also meant that, strategically, the system depended on maintaining a balance of power on the

European continent, which was the basis of Britain's 'splendid isolationism' policy towards Europe. Moreover, even at the economic level, Britain could only afford to run this system as long as it remained the chief industrial power. In other words, the global balance of economic and military power formed the shaky basis of this first international economic order, leading eventually to its destruction after Bismarck united Germany and changed the balance of power permanently.

Globalism, as embodied in the ideas and material interests behind the practice of the British imperial state, goes far beyond the traditional Marxist understanding of ideology. Though trade did follow the flag, and Britain's adherence to free trade was motivated by self-interest, globalism is more than an ideological smokescreen. It is a well worked-out theory that actually provides the theorist with recommendations that "apply to every sphere, from keeping world peace to stemming financial panic" (Calleo, 1987, 130). This is what Robert Cox calls a 'problem-solving theory,' a hybrid of descriptive and prescriptive theorising based on a value-system that serves the dominant interests that use this approach. With these considerations set out as background we can now move in the next section to the actual reality of US globalism and apply all the Gramscian categories listed above to it.

## 2.2 – The Economics of American Globalism: The External Imperative and the Formation of the American Historic Bloc

In many ways international hegemony, at least in its "beginnings," is an "*outward expansion* of the internal (national) hegemony established by a dominant social class" (Robert Cox, 1983, 171; my italics). Often the motivation is the consolidation of the hegemonic class' power over other classes, in addition to the



obvious material benefits of expanding its interests abroad and constructing an imperium. In the particular case of America, though, the opposite seems to be the case. As we shall see below, the loose entity known as the 'American Establishment' was more or less defined by its foreign policy stances and its external imperative. It did not develop a position on foreign policy to reinforce its already existing domestic hegemony, as is the case with most hegemonic classes, but developed its domestic hegemony through its positions on foreign policy. To avoid confusion I will use the word 'establishment' instead of hegemonic class in this thesis because of this unique feature of America's internal hegemony.

The American establishment came together towards the end of the 19<sup>th</sup> century, a "social consequence of industrialization," the product of "new social formations" that "arose to *bind together* the new industrial-era upper class on a national scale and provide a semblance of *tradition*" (Holland, 1991, 24; my italics). But these homogenising and integrating affects of industrialisation by themselves "would *not* have produced an Establishment... *if* it had been content to pursue its interests and defend its privileges" exclusively through its moneymaking activities in the private sphere (Holland, 1991, 24; my italics). An upper class can only become a "governing elite" if it "*knows its interests and perpetuates its power*" through "*active participation in civic life*" (Holland, 1991, 24-25; my italics). It has to show a "*willingness to wield public power*" and develop a "*seemingly disinterested ethic of public service*" (Holland, 1991, 25; my italics). In Gramscian terms, it had to develop a strategic conception of its interests over and above the interests of its individual members, engage in public life, and use the state to convince others that they have common interests. What both united it and allowed it to unite the public behind it was the external imperative, the "devotion to managing" America's fast growing "global

power” (Holland, 1991, 35).

The first opportunity the US had to become a global power developed out of the aftermath of the First World War, with the first attempt to manage global affairs pioneered by Woodrow Wilson under the mantle of what he called “a new world order” (Judis, 1991, 43). It was his vision of America’s place in the world that eventually, by the end of the *Second* World War, transformed America’s capitalist elite from a mere ‘power elite’ into a true hegemonic elite. It was his vision that *defined* the American establishment. It did *not* become hegemonic only because of the obvious benefits, in the *long-run*, that came from this status. It was *not* by virtue of the inexorable logic of capitalism that the establishment was formed. There was no real conception of where the nation’s interest lay and how the capitalist class could reap the benefits of global preponderance. Even at the purely material level the capitalist class was deeply divided by the “extremely uneven distribution of international economic interests within American society” (Frieden, 1989, 135). The period of international economic expansion that stretched from 1870 to 1919 had only led to a few major American economic actors becoming global leaders. Most of the economy “remained as inward-looking as ever” (Frieden, 1989, 136). It was this division over economic orientation, in addition to America’s isolationist disposition, that destroyed Wilson’s attempt at internationalism, at both the elite and popular levels.

From 1919 to 1939, the inter-war period, the US was almost unequivocally isolationist, *even though* the world was then, quite literally, ripe for the taking. The US was the clear victor in the war, with the economies of its industrial competitors smashed, and the centre of international finance shifting from London to New York. It was “capable of hegemonic action,” was led by a president (Wilson) who had

“hegemonic plans,” and had competitors (Britain and France) who were trying to “entice and cajole” it to “accept the responsibilities of leadership” (Frieden, 1989, 134). In the wake of America’s refusal to take on these hegemonic responsibilities, the task of convincing America *and* its elites to embrace Wilson’s vision fell to a number of internationalist intellectuals that were members of the Council on Foreign Relations. This think-tank was established in 1921 by Nelson Rockefeller, directly in response to the failure of Wilson’s globalist project, and grouped together a variety of like-minded bureaucrats, politicians, lawyers, academics, and businessmen. Its founders had learnt the lesson that any prospective ‘new world order’ would not come of its own accord; instead, it demanded extensive planning and lobbying.

The CFR, and a group of related international think-tanks, developed a “network” of joint efforts with the political apparatus aimed at convincing “average” Americans that “their stake in the restoration of normal economic conditions in Europe” was “in reality as direct and vital as that of the international banker” (Chairman of the Foreign Policy Association, quoted in Frieden, 1989, 145). These think-tanks housed *internationalist organic intellectuals* who saw themselves as heirs to the British imperialist tradition. They were “often self-conscious about their role in history” and believed very strongly that their “generation had lived through the death of an old order and that it was their particular responsibility to endow the world with a new one” (Calleo, 1987, 130). Their perception of what was happening to the world was amply summarised by Columbia University’s famous president Nicholas Murry Butler. He likened the rapid breakdown of the international economy to the “fall of the Roman Empire,” the Renaissance, and the English and French revolutions in its “epoch-making character”, with the proviso that it was in “some ways more powerful than them all” (Butler, quoted in Lloyd Gardner, 1976, 125). Their interpretation of



history entailed that it was their country's "inexorable and proper duty" to "assume Britain's role" and take up the reins of managing the global economy and maintaining the peace now that Britain could no longer carry out this task (Holland, 1991, 31). Their efforts came to fruition during the Second World War. Though America's final rejection of isolationism and entry into the war was actually a product of Pearl Harbour, and not the CFR, it *was* the CFR's intellectual efforts that first began to dislodge isolationism from its dominant position. It was also the CFR's work that ensured that America's adoption of internationalism continued once the war was over.

The exact details of this intellectual and political process do not concern us here. What *is* relevant is the overall logic used to justify globalism to the elites, and the resulting social basis of globalism. The political scene in America with the beginning of the war in 1939 had not changed much since Wilson's aborted attempt at internationalism in 1919. Internationalism, which meant "intervention in Europe," simply was "*not* a consensus view" (Holland, 1991, 34; my italics). The Wilsonian objective of "defending democracy merely irritated" America's business elites, and some even "argued that the price of a successful war would be socialism in the U.S." (Kiernan, 1978, 189)! Many saw the "international Left" as "more" of a threat "than fascism" (Holland, 1991, 34). Even members of the traditionally internationalist "corporate legal elite" took up positions identical to those of "isolationists" (Holland, 1991, 32). Wall Street lawyer John Foster Dulles, who was later to become one of the founding fathers of US post-war foreign policy, was perfectly willing to appease Germany and Japan, and "advocated" their cause as "have-not" nations that deserved their own empires (Holland, 1991, 26). According to Ronald Cox, it was the very economic internationalism of this corporate elite that led to such decisions. It saw Germany as a "lucrative trade and investment market" for US firms, and knew that an

appeasement policy “entailed maintaining trade relations” (Ronald Cox and Skidmore-Hess, 1999, 29). In the context of the Great Depression, maintaining such an outlet for trade was paramount on the minds of such business interests, given that the domestic market and most foreign markets were no longer in a position to buy US goods.

It was the Great Depression itself that was the greatest obstacle facing internationalists. The US historically has been a protectionist country, focusing its economic energies on its massive internal market and the huge resource base of South America. The economic hardships of the inter-war period had led to a trade war that isolated the US economy even further. Tariffs were then raised again to protect jobs with the Wall Street Crash. The capitalist world as a whole had lost its faith in free trade and set up preferential regional trading blocks as an alternative outlet for exports. Keeping in line with these developments, and following their long neo-mercantilist traditions, “American policymakers and intellectuals... debated the plausibility of regional alternatives to an open world economy” (Ikenberry, 1996, 48). Economic nationalists, protectionists and isolationists argued that America should adopt a “quarter sphere” or “fortress America” strategy (McCormick, 1995, 31). They conceptualised America’s national economic interest in regional terms, believing that the Western Hemisphere by itself was more than enough to satisfy its economic needs. The whole doctrine of “national self-sufficiency” – “economic nationalism with feeling” – was becoming very “popular at the time and was laced with semifascist ideology” (Frieden, 1989, 154). Even Franklin Roosevelt, who entered America into the war, initially believed in solving America’s problems purely internally. Roosevelt’s core group of experts and advisors – the ‘brains trust’ – described themselves as believers in ‘intranationalism,’ as opposed to internationalism (see



Lloyd Gardner, 1976).

The most prominent among them, Raymond Moley, explained that as far as they were concerned foreign trade was “only one-tenth of the problem” (Moley, quoted in Lloyd Gardner, 1976, 126). The economic ideas of the early Roosevelt administration were so “ideologically unorthodox” that many in the banking community suspected that Roosevelt himself was “embracing” this “notion of national self-sufficiency”, with its fascist leanings (Frieden, 1989, 154; see also Cumings, 1999). But Roosevelt was open to ideas and was “committed to no long-range solution or doctrinaire philosophy”, which did provide internationalists with a “measure of reassurance” (Lloyd Gardner, 1976, 126-127). The CFR took full advantage of this and found a way of connecting the performance of the US economy to the performance of the international economy. In political discourse the contest between regionalists and internationalists hinged on the issue of ‘self-sufficiency’ (see Shoup and Minter, 1980, and McCormick, 1995, for details). It was the Second World War that triggered concern over this issue because it forced America’s leaders to decide whether the US “could... do without the markets and raw materials of the British Empire, Western Hemisphere, and Asia” (Shoup and Minter, 1980, 136; see also Cox and Skidmore-Hess, 1999). All these areas were targeted for incorporation into Germany’s and Japan’s *closed* regional economic blocs. The CFR tackled this question in tandem with the State Department through their joint “Studies of American Interests in the War and the Peace” project. They concluded that the US could not do without these markets. Instead of focusing on the Western Hemisphere, it was argued that the US should create an extensive free trade area which they called the “Grand Area” which, in principle, meant “one world economy dominated” by the US (Shoup and Minter, 1980, 140). Put differently, the corporate and political elites



engaged in this project “conceived” of America as the future “hegemonic power,” a country “forced to respond strategically, and not simply to maximize economic interests” (Ronald Cox and Skidmore-Hess, 1999, 27).

Thus arrived on the scene the intellectual rationale of globalism. But to evaluate properly what this project really represented we must determine exactly what the word ‘self-sufficient’ meant to these policy planners. As one of the CFR’s members put it, the Grand Area consisted of the “elbow room” America needed in “order to survive *without major readjustments*” (Riefler, quoted in Shoup and Minter, 1980, 141; my italics). Self-sufficiency, as narrowly understood, had nothing to do with their concerns and plans. The US, to this day, is self-sufficient in food and most raw materials. This has historically given the US its “unique perspective on trade issues”, giving it the “luxury of discussing whether” it wanted to “join” its market to “those abroad” (Kunz, 1997, 294). The truth was that America depended on trade, “*barring* a transition to a form of socialism” (Shoup and Minter, 1980, 147). This observation of Shoup and Minter is not a conclusion made with the advantage of hindsight, but something recognised even back then in the 1940s. The regionalist option finally broke down because of the social consequences of self-sufficiency. It was believed that the ‘fortress America’ plan:

could work *only* with *extensive* government planning (*state capitalism*), which might destroy the prerogatives of private enterprise, reduce the rate of profit, and *socialise* institutions that in turn might later be usurped by leftist governments and used *against the interests of capital*.

(McCormick, 1995, 31; my italics).

What we see here is not a project of external hegemony being taken on board for its own sake, but a project being put into place explicitly in response to domestic threats

to America's internal hegemony. The issue of internal hegemony, the stability of the domestic economic, social and political situation, developed essentially as a consequence of the Great Depression, and was hoisted onto the internationalist agenda because of this reality.

Members of the CFR saw internationalism as in America's best interests and part of its historic mission, regardless of whether there was a recession or not. Roosevelt, on the other hand, adopted the economic arguments of internationalists specifically because of their economic and social import. His primary concern was the recession's impact on the "nation's social fabric" (Frieden, 1989, 154). In the process of solving these problems through the New Deal he made an enemy of his own class, accusing the White Anglo Saxon Protestant (WASP) "dominated upper class of grossly selfish mismanagement of the economy" (Holland, 1991, 34). They in turn accused him of being a 'class traitor' and vigorously fought against the New Deal. Roosevelt was isolated from the dominant, short-term concerns of his own class, even though he "saw himself" as someone "trying to rescue the capitalist system" from its own follies (Parenti, 1988, 77). The New Deal actually helped increase the concentration of economic wealth and power in the hands of the oligopolistic industries, and gave them considerable say in the day-to-day running of the various New Deal initiatives. The New Deal is "best typified as liberal reform that accomplished conservative ends" (Ronald Cox and Skidmore-Hess, 1999, 24). But, despite this fact, the business community was as "surly and recalcitrant" about being "led out of the slump" as it was about being "led towards world power" (Kiernan, 1978, 189). This is a classic example of the "short-sightedness of capitalism" that develops when it is left "on its own" (Kiernan, 1978, 189).

Capitalism is *always* in need of considerable 'political management' if it is to

be protected *from itself*. The end result of this intransigence was that Roosevelt's efforts to expand government spending and pump-prime the economy back to prosperity were repeatedly blocked, and effectively, by deeply entrenched ideological resistance in Congress. It was *only* the *foreign* demand for American goods – civilian and military – brought about by the Second World War that actually dragged the country out of recession. It was this that converted Roosevelt to internationalism, forcing him to turn increasingly to “foreign economic policy to solve domestic economic problems” (Kunz, 1997, 7). It was also through his conversion to internationalism that the internationalist initiative itself acquired its mildly Keynesian, social democratic character. Roosevelt conceived of his role in hegemonic terms, trying to find a way to reconcile the interests of capital and the demands of labour. With the passing of the 1934 Reciprocal Trade Act, trade policy become part of his social agenda, ushering in a new phase of his presidency known as the ‘new’ New Deal (see Lloyd Gardner, 1976). The only way to get legislation across for “universal tariff reductions and an international trade organization” was through *linking* this legislation to the objective of “nurturing full employment” (Kunz, 1997, 6). Trade was the ideal option because it required “little in the way of socialist planning, and would cost the taxpayers nothing” (Kunz, 1997, 7). The internationalists’ found a way to *export* America’s internal hegemonic problems, using external hegemony (dominance of the international trade order) to placate the masses and keep the economy prosperous. The solution to this dilemma came in the form of the “idea of an *export surplus*” brought about by an “open world economy” (Block, 1977, 35-36; my italics).

‘Free trade’ was the intellectual instrument that the internationalists in the CFR used to unite the internationally oriented businessmen behind globalism. It was this instrument that made the upper class into a hegemonic establishment, with its



organic intellectuals primarily being internationalists. With the end of the War the internationalist trade agenda took on a whole new dimension because America's workers had now become more militant, while the threat of the international left re-emerged. America's plans for world order would not have even got off the ground "had the US government not been able to contain internal US social conflict" (Wallerstein, 1987, 468). Even right-wing internationalists, who were less concerned than New Dealers over employment and welfare, realised early on that a "return to high unemployment would bring intractable pressure to keep out imports" (Kunz, 1997, 6). But coercive methods were not used to deal with union demands, as had been the case in the past. Instead their demands were incorporated into America's post-war political economy to achieve a "more-or-less explicit class compromise" (Augelli and Murphy, 1988, 140). The particular policy instrument the establishment used was Roosevelt's "politics of productivity" – the ideology of "productionism" (Augelli and Murphy, 1988, 140). For Roosevelt, social harmony would be facilitated by increased production for the world market.

The US government made an "implicit pledge" that it "would not use public policy in a way that had a predictable negative impact on any specific sector of the US economy and the workers within it" (Augelli and Murphy, 1988, 140). When the 1934 Reciprocal Trade Act was renewed in 1945 by Congress, it was renewed on condition that any future trade agreement did not damage "any portion of... business, labor, or agriculture" (Kunz, 1997, 295). This process of accommodation went to the point of including the membership of "some... labor leaders and heads of broad-based organizations" within the establishment itself, in an effort to make it "more representative" (Judis, 1991, 43). Many of the union figures were well "aware of America's hegemonic power," and the establishment used this to convince them that

“labor’s interests were best served through full production for an expanding world market”, instead of “redividing the income generated through production for the national market” (McCormick, 1995, 82). In effect, the lower classes were *converted* to internationalism.

The American working class thereby became *part of* the globalist project. Such a process of “integration” of the lower classes into the very body of the upper classes, as we have seen, “lies at the very heart of hegemony” (Femia, 1981, 49). Such support was “critical” for the establishment’s “hegemony in foreign affairs” because it “provided the crucial link between the higher circles and the average voter” that helped defend “against the recurrence of popular isolationism” (Judis, 1991, 47). But this process of accommodation was not grounded solely in this economic pledge. The final consolidation of the establishment’s position at the heart of the American historic bloc came about with the advent of the Cold War, which I deal with in the subsection below.

### 2.3 – The Geopolitics of American Globalism: The Soviet

#### Threat to the Establishment, and the Embedded Liberal Response

As is clear from what has been said above, the main reason behind America’s external expansion was *not* primarily the communist threat. One of the most important US Cold War documents – NSC-68 – states that the “policy of attempting to develop a healthy international community [was] a policy which we would probably pursue *even if there were no Soviet threat*” (NSC-68, quoted in Layne and Schwarz, 1993, 5; my italics). It is also the case that at “no point” in the early post-war era did America “seriously anticipate a Soviet military attack in Europe” (Gaddis, 1987, 41).



Russia as a viable military threat was “more theoretical than real” (Michael Cox, 1990, 26). Its economy had been smashed, it had no navy or airforce to speak of, and its huge army had been forced to demobilise because of a shortage of labour. Most important of all, it did not then have the atomic bomb. Western intelligence even went as far as predicting the inability of the Soviet military to contemplate a war with the West “until the mid-1950s at the very earliest” (Michael Cox, 1990, 26). But this does not mean though that the Cold War was a ruse or an illusion. The Cuban missile crisis proved that; the world was on the brink of complete annihilation. The Cold War was not merely a product of America’s attempt to externalise its social and economic problems through world economic domination. Despite its weakness, America did still perceive the Soviet Union as enough of a threat to initiate the Truman Doctrine and militarise the Cold War. It is all a question of what is meant by the word ‘threat’.

Defining the nature of the threat the Soviet Union posed lies in determining what it was a threat *to*. In the post-war context it was a threat to America’s economic plans for the world, the project of globalism. It was “widely assumed” by US policymakers that the “old world” had been thoroughly “wiped away” with its political system and economic doctrine (Michael Cox, 1990, 28). Both Britain and France had given up on free trade and adopted a form of “economic nationalism” that used the imperial preference system to establish “regional economic blocs” that effectively “excluded” the US from their colonial markets (Gilpin, 1982, 179-181). For Americans this alternative “vision” of the new world order consisted of a *closed* world order based on regional trading and monetary blocs, a “modern form of mercantilism, by way of Keynesian economics” (Calleo and Rowland, 1973, 39). Therefore, it was also assumed that the “new” world would be “*fundamentally antagonistic to the open international economic system regarded as desirable*” by the



US (Michael Cox, 1990, 28; my italics). The only country in the world that believed in free trade was America, and the fact that a “multilateral order gained acceptance” at all “reflected” its “extraordinary power and perseverance” (Ruggie, 1982, 397). Opening up these markets was the *bête noir* of American planners. It was in this context that the Soviet Union became a major concern of American foreign policy. The Soviet Union, by virtue of its anti-capitalist ideological system, did not believe in free trade either.

The Soviet Union’s mere existence from 1917 was a threat because of its embodiment of an anti-capitalist ideology and economic system. It may have not been a true communist society, but “for all the betrayal of... the Bolshevik revolution” it was still “organised on the basis of contrasting social principles” (Halliday, 1986, 32). The Cold War was “not a ‘normal’ political or strategic conflict... but rather the expression of an irreconcilable opposition between social systems” (Michael Cox, 1994, 193). What we see here is that ideology transcends geographical boundaries and creates threats within states and societies, thus challenging free trade in all quarters and at all levels. Given the economic and ideological state of the post-war world, the Soviet model of economic development was a very real ideological alternative to America’s plans for world order. The enhanced geopolitical position of the USSR, its control of Eastern Europe, only accentuated this problem. Eastern Europe has always been a vital market and source of raw materials for Western Europe. Now this market and resource pool was under Soviet control, giving Russia significant influence over the whole of Europe – since “Eastern Europe had ‘gone’ ” there was no reason not to believe that Western Europe “might easily follow suit” (Michael Cox, 1990, 28). By 1947 Russia was already trying to force its way to the Mediterranean through its involvement in the Greek civil war and had begun to exert pressure on Turkey in its

historic drive for a warm water port. 1947 was also the year that workers' strikes began in France, threatening a more radicalised left and so the threat of "more state control of trade and industry to prevent total economic collapse" (Michael Cox, 1990, 29).

US planners feared a "more *statized* Europe would then develop closer ties" with the communist bloc, thus reorienting itself "*away* from the world market towards the Soviet sphere of influence" (Michael Cox, 1990, 29; my italics). George Kennan, the founder of containment, summarised this analysis in these words: "many... in Europe... are tired and frightened... and are less interested in abstract freedom than in security" (Kennan, quoted in Kunz, 1997, 23). Economic security in particular was the paramount concern of both Europeans and Americans. This, "in essence," was what the "Soviet threat" meant to America in 1947 (Michael Cox, 1990, 29). America would have been left isolated in a way that left it vulnerable to a new recession and a potentially rebellious labour force bent on pushing America on the path to state capitalism and socialism; or so it was feared. The threat to America was not a military threat at all; a threat to the country as a territorial entity. It was a threat to the system existing *within* the borders of the US, to the *internal* hegemonic balance of power as opposed to the international military balance of power. It was more of a threat to the establishment than it was to America as a whole. The response of America's elites, again, came in the form of accommodation, of incorporating the demands of the European states into its hegemonic project.

A hegemonic bargain was established between Europe and the US. The US agreed to a partial abandonment of the ideal of free trade (meeting European demands) by allowing a degree of protectionism and regionalism in the form of what later became the European Community. In this way, the US "*subordinated* its



domestic economic interests to its larger political interests” (Gilpin, 1987, 138; my italics). In exchange for this the US got Europe’s membership in the North American Treaty Organisation. NATO allowed the US to *monopolise* decision-making in the security sphere, giving it tremendous control over the defence and foreign policies of these nations. It was this domination in security affairs that the US took as the “*indispensable precondition for economic interdependence*” (Layne and Schwarz, 1993, 13; my italics). The logic employed by the Americans here dictated that an unstable security environment was coterminous with economic interdependence. In such an environment states normally resort to “autarkic policies or form trading blocs to improve their relative positions” (Schwarz, 1996, 96). Economic relations become politicised and trade policy becomes an instrument of national security. A security monopoly would mean that the European powers would have no need to pursue such economic policies, and thus be able to open up their economies instead. To achieve its trade surplus the US, in effect, synthesised its economic and strategic imperatives, giving its economic initiative a geopolitical foundation.

Such a compromise engendered a major ideological reversal on the part of Americans, since they entered the post-war era intending to establish the “economic basis of a durable peace” (Richard Gardner, 1972, 22). For US leaders, the origins of the Second World War were largely economic, a consequence of the scramble for markets and resources through military means when the peaceful avenue (trade) became impossible thanks to the collapse of the international economy (see Gilpin, 1982, and Richard Gardner, 1972). This whole economic mindset had its origins in liberal political and economic theories, particularly the Manchester School of international economics. The political logic of Manchesterism assumed that the economic integration fostered by free trade would guarantee peace among nations. But



the events of 1947 forced US leaders to turn “Manchesterism on its head” and only accept the economic and “not the political logic of free trade theory” (Layne and Schwarz, 1993, 13). From the creation of NATO onwards American policymakers have not seen harmony as developing “automatically” from free trade, but instead “look to American military power to impose harmony so that free trade can take place” (Layne and Schwarz, 1993, 13). In the context of the Cold War, Idealpolitik was transformed into a form of Realpolitik. From a theoretical perspective, US post-war globalism is a hybrid of these two ideologies, an uneasy synthesis of idealism and cynicism.

This transition from idealism to realism was further facilitated by the fact that the liberal trade ideology the US advocated was also rooted in the globalist tradition of the British empire. America’s free trade imperialist tradition originates in the Open Door Policy it adopted towards trade with China in 1839. Following the British example it assumed that a “dominant economic power” could penetrate and control “important aspects of foreign economies, but without formal political control” (Calleo and Rowland, 1973, 11). The advantage of this mode of domination was that it avoided costly “anticolonial resistance and rebellion” (McCormick, 1995, 19). America’s “rhetoric of... specious internationalism” used “interdependence” as a “euphemism for imperialism” (Calleo and Rowland, 1973, 7). This was a disguised imperialism that avoided all the costs and reaped all the benefits simply because it was disguised, an example of neo-Gramscian thinking in its purest form. The economic world visions of both Franklin Roosevelt and Woodrow Wilson before him essentially represented a “global version of the ‘open door,’ implying the end of empire and other forms of economic discrimination” that hindered US domination (Ruggie, 1996, 19). But, in the particular case of the US, none of its plans could come to fruition without

the existence of the Soviet Union. More importantly, this blurring of the economic and the strategic could not have come about if it were not for the Cold War. The Cold War system, “like every system”, needed a “foil”, an “enemy”, and that enemy came in the form of the Soviet Union (Kunz, 1997, 328).

In this sense containment was directed against both the Soviet Union *and* Western Europe – ‘ “double” containment’ (see Lundestad, 1998, and Layne and Schwarz, 1993). The containment of the Eastern security threat gave America the opportunity to contain the Western economic threat. It was this ability to roll together security and economic dynamics that explains the “remarkably successful” way the US was able to both recreate Britain’s free trade order and contain the alternate Soviet world order (Payne and Gamble, 1996, 11). The economic impulse to integrate and the security impulse to move apart are diametric opposites, and were responsible for the collapse of the British world order. In the post-war context this meant overcoming European fears of an *American* hegemon determining the fate of Europe. As early as 1944 Churchill had made it clear that the British “should certainly not be prepared... to submit to an economic, financial, and monetary system laid down, by, say, Russia, *or* the United States” (Churchill, quoted in Calleo and Rowland, 1973, 38; my italics). The Europeans changed their minds and accepted this bargain because US hegemony was, for all intensive purposes, a ‘benevolent’ hegemony. The strength, prosperity and democratic stability of the continent was an American objective, which was not the case with the USSR. Moreover, the existence of a US hegemon also meant the non-existence of a potential German hegemon. NATO ‘contained’ Germany as much as it did the Soviet Union, which also gave the other European nations the confidence to trade freely and open up their economies. These reasons reveal the reasoning behind Geir Lundestad’s famous description of the American Empire in Europe as an



“Empire by Invitation” (Lundestad, 1998, 182).

The Cold War security dynamic also played a central role in consolidating America’s internal hegemony. Cold War communist hysteria created the “climate for an assault on organized labour” and eliminated the gains made by communists in the American labour movement during the War (Armstrong et al, 1991, 75). This process began in 1947 and culminated in the McCarthyist communist witch-hunt of the 1950s. Though a good measure of coercion was used to pacify labour, the main internal function the Cold War served was the legitimisation of the New Deal among the members of *the* establishment. As we said above, they fought the New Deal from the very beginning, and adopted globalism as a way of *avoiding* the New Deal. The argument was that, if the US could export more than it imported, this would stimulate demand, making an “equivalent amount of government spending, and... expansion of the government’s economic role” unnecessary (Block, 1977, 35). The acceptance of more government spending and a larger role for government in economic life came about as a consequence of the realities of the post-war global economy, and the demands of America’s allies that needed to be incorporated. The kind of global economy US leaders initially envisioned was one based on the dictates of classical economics, replicating and repeating the British world order experiment.

An adequate label would be *classical* globalism, a classical *variant* on the globalist theme. The monetary order in the nineteenth century, the gold standard, was a fixed exchange rate system where the domestic money supply was determined by the balance of payments. With no control over the money supply governments could not inflate their economies at will, nor could they avoid deflation if their balances were in deficit. The gold standard’s internal hegemony consisted of the minimalist state, the ideology of *laissez faire*, and a weak working class. When a hegemon constructs the



monetary side of its world order, it has to bear in mind the balance of power between the state and the market in “state-society relations”, and the “legitimate social purposes” state power pursues in the domestic economy (Ruggie, 1982, 386). ‘Managing’ the world economy in Wilson’s day only meant ensuring convertibility, open markets, and exchange rate stability. The state in Wilson’s day had no real macroeconomic role beyond these functions. This was no longer the case by the end of the Second World War. Wilson’s vision precluded Keynesianism, making it impossible for Britain and France to buy into the US initiative and discard imperial preference.

These conflicting visions were enshrined in the Bretton Woods system, based on a compromise solution called – by John Ruggie – “embedded liberalism” (Ruggie, 1982, 393). It tried to reconcile the lessons of the inter-war period; that markets did not work by themselves, but nor did insular state policies either. The British and French wanted an embedded order with no liberalism, while the Americans wanted a liberal order with no embeddedness. Not only could this have killed America’s international hegemonic project in its tracks, it could also have destroyed the internal hegemony of America’s capitalist class. Europe needed protectionism and government intervention to recover, and the US could not maintain its cherished trade surplus without a European recovery, since Europe was the main market for US exports. This problem came to a head in 1947 when a dangerous shortage of dollars developed in the international economy thanks to America’s refusal to fund the IMF properly (see Block, 1977, and Foreman-Peck, 1995, for details). 1947 was the same year in which the train of events that led to the Cold War began. The dollar shortage also rendered productionism an impossibility, thereby threatening to radicalise the American working class. In this context the Truman administration realised that productionism

would not work at home without a degree of pump priming abroad.

This is where the Cold War came in. Much of the New Deal approach had to be adopted if the internal hegemony was to be maintained. But a New Deal approach only became acceptable *in the context of* the Cold War. The very instruments of welfare in America were Cold War instruments, brought about by the militarisation of the Cold War through NATO. Militarisation gave America's establishment the opportunity to expand expenditure and intervention in a military fashion, for military objectives, and through military channels. Much as the case with trade before, military spending was seen as a substitute for domestic welfare expenditures and more explicit Keynesian demand management. What later became known as "Military Keynesianism", in effect, killed two birds with one stone by allowing America to maintain its internal and external hegemonies at the same time (Block, 1977, 107). NATO involved an "*acceptance* of Keynesianism, but *not* with the radical implications of national economic planning" (Block, 1977, 107; my italics). The militarisation of the Cold War was both "*consistent* with maximum continued freedom for domestic capitalists, *and* eliminated the danger of a disruptive economic crisis" (Block, 1977, 107; my italics). And, again, the Soviet threat – whether real or fictitious – was just what was needed to justify this hegemonic project to the taxpayer and voter.

The Cold War also finally consolidated America's internal hegemony at a political level by settling the "isolationist-interventionist debate" that was still raging in Congress, which had become Republican and more protectionist in 1946 (Wallerstein, 1987, 469). It was this Republican, isolationist Congress that was largely responsible for the shortage of funds to the IMF and the whole dollar shortage (see Kunz, 1997, and Armstrong et al, 1991). This party split was resolved into the



“bipartisan foreign policy” consensus based on the fundamental (realist) “concept that politics should ‘stop at the water’s edge’ ” (Wallerstein, 1987, 469). These changes coincided with the process of accommodation with the unions outlined above. The end result of these twin processes of accommodation – the “reshaping of state-society” relations – was the American “liberal-internationalist historic bloc” (Stant, 1996, 80). The ideological glue which bound together the different classes in America into a historic bloc was productionism, with the additional support of anti-communism. Its class basis was embodied in the “New Deal electoral coalition – based on the Democrat party, the labour unions, some farmers, the big city political machines of the North and East, and some portions of big business” (Owens, 1990, 38). It was through the instrument of trade policy – the ideological “definition of the national interest in trade policy” – that “business solidarity” was achieved, with a considerable degree of “legitimacy” in US “domestic politics” (Stant, 1996, 80-81). In short, it was through these various compromises that the American upper class became a true hegemonic establishment at the heart of a historic bloc exercising an integral form of hegemony. Now that we have seen how America’s hegemony was built, all that remains to be done in this chapter is to provide an overview of what happened to America’s hegemony so that we can move on to the contemporary era from Chapter 2 onwards. I turn to this in Section 3.



## Section 3 – Globalism, Globalisation and Decline:

### The Breakdown of American Hegemony *and* its Historic Bloc

#### 3.1 – The Internal Consequences of Globalisation and Decline: The Dissolution of America’s Historic Bloc and Hegemonic Establishment

The post-Cold War era is not only characterised by the dissolution of the prime mover of US policy and polity, the Soviet Union, but has also been marked by globalisation and US decline. America’s first two post-Cold War presidents, Bush and Clinton, have not been responding to the end of the Soviet threat *in abstracto*, but within the context of America’s changing position within the world political economy and the various policy responses to decline and globalisation engendered by previous presidencies. I will deal with the roles of globalisation and decline in the foreign policy debate in the upcoming chapters. Here I only intend to deal with them at the level of their effects on the ideological and social basis of US globalism. Since we are not pursuing an objective analysis of the nature and reality of these processes, the focus below is on the reality of these issues to the makers of American policy; the ideas they believe in and the socio-economic basis of their ideas. How the elites have reacted to these processes, which they took as very real, establishes the background to the contents of the rest of this thesis.

The operative assumption driving US globalism during the Cold War was that “what was good for the United States was good for the international economy” (McCracken, Chairman of the Council of Economic Advisors, 1971, paraphrased by

Kunz, 1997, 197). This is the simultaneity that is so central to the neo-Gramscian understanding of hegemony. America inflated the world economy continuously throughout the post-Second World War era through its Cold War military expenditures. Its security monopoly meant that it ran a persistent balance of payments *deficit*, a situation where more money flowed out of the US than in. This was a classical example of Keynesian deficit spending, but at the global level. Though this denied America a stable and balanced balance of payments, it provided the world with enough money to buy American goods. A balance of payments deficit meant a balance of trade surplus, which was the whole purpose of US globalism. Such a policy also had the added advantage of giving the US *unilateral* control over the world's money supply, because the dollar shortage was alleviated through direct financial support from the US itself, and not through the multilaterally structured and controlled IMF. One of the reasons why the US never financed the IMF adequately in the early post-1924 period was the fear that the IMF would wrest sovereign control over the dollar away from the US government and give other industrial countries a say in how the US ran its domestic economy. This was unacceptable to America's leaders, whether they believed in the US role as a benevolent hegemon or not.

America's relative economic power gradually declined in the post-war era as countries rebuilt themselves after the war and began to compete with America on a more equal footing. American leaders positively encouraged this process and did not expect any major negative economic consequences for their country. The real problems began to develop in the 1960s and 1970s when America's industrial competitiveness declined in such a way that the country could *not* afford to run a continuous balance of payments deficit and achieve its trade surplus at the same time. By the time of the Nixon presidency the situation had become intolerable because



America's trade balance had continued to decline to a point where it went from a surplus to a deficit. In 1971 America suffered its first trade deficit since the Civil War! It became evident that the US could no longer maintain its "foreign" and "domestic obligations *simultaneously*", striking at the very heart of the hegemonic bargain set up by the deficit/surplus system (Tonelson, 1991, 36; my italics). As Nixon made clear in one of his speeches, after "World War II, economically the United States was so preeminent that we could afford to be generous and we were. But now the world has changed" (Nixon, quoted in Kunz, 1997, 216). The stronger a country is, the more it can afford to give, *and* the weaker a country is, the less it can afford to give. The asymmetries inherent in the post-war order were also seen as responsible for the hardships the US was suffering.

America's monopoly of the security structure gave its allies – particularly Germany and Japan – a competitive edge because they could invest more of their resources in civilian industries, unlike America. This was in addition to the advantages they garnered from the protectionism afforded by the EC. As Nixon's Treasury Secretary John Connally put it, "you can ride a horse to death, and the world has been riding the U.S.... to death... and that has got to stop." (Connally, quoted in Kunz, 1997, 208). It was this *divergence* between the internal and external aspects of US hegemony that fundamentally characterised the Nixon presidency. For the purposes of this thesis what interests us is how this divergence set the scene for the rest of American history since Nixon, including the present post-Cold War period. The dilemmas and challenges of the current era, at a hegemonic level, originate in the 1970s during the Nixon presidency. Nixon, from early on, "refused to pay the domestic price for international economic stability", opting instead for US prosperity and the maintenance of internal hegemony and the Keynesian consensus, a



*“subordination of foreign economic policy”* to domestic concerns (Kunz, 1997, 192, 218; my italics). In the 1970s there was a “firm... prejudice against further American sacrifices for the good of the system” and there was a willingness to “force” the issue if need be (Kunz, 1997, 207, 202). The model of hegemony, or dominance, that Nixon advocated gave the US maximum leeway in determining policy, while also reducing the costs of leadership; what is commonly referred to as ‘hegemony on the cheap’ (see Calleo, 1982).

In Gramscian terms this meant that America was renegeing on its side of the hegemonic bargain and was willing to adopt coercive non-consensual measures to carry out this task. At the monetary level Nixon struck at the very heart of the hegemonic order, destroying the Bretton Woods system in 1971 when he ended the convertibility of the dollar into gold and moved to a floating exchange rate system. At the level of trade policy he used a highly mercantilist approach and threatened the multilateral foundations of the trade order by using trade barriers as a way of opening up markets. But the divergence between America’s external and internal hegemony did not only make itself felt at the level of policies, and the significance of this divergence for the current era does not only lie at this level. Of equal importance was the *internal* dimension of the growing problems facing the US, how Nixon’s policies precipitated a crisis for US globalism in terms of its ideology and social basis. These major policy reversals also came about because of important changes in the domestic political economy. Not only did Nixon leave the post-war economic system in tatters, he threatened the very establishment consensus that had created (and been created by) this post-war order. Nixon and most of his key officials *“lacked any commitment to the Bretton Woods system as an antidote to financial autarky and as a bulwark against international anarchy and the rise of dictatorships”* (Kunz, 1997, 219; my italics).

They operated under a very rigid state-centrist, realist paradigm pioneered by Henry Kissinger. Economic policy was ordered according to a zero-sum, coercive logic, where only one party could benefit from a given policy.

These important breaks with America's free trade tradition also came at the same time that the structure of international trade was changing in significant ways. Many economists and politicians feared that the world was "moving away from the integrated economic order of *Pax Americana* and towards a looser system of blocs" grounded in "mercantilism" among the major industrial powers (Calleo, 1982, 122). This raised the threat of a possible Trilateralisation or Tripolarisation of the world economy into three competing mercantilist economic blocs (North America, Western Europe, and East Asia), bringing back memories of what happened to the international economy in the inter-war period. But this state of affairs suited Nixon and his realist vision of international affairs. It also suited Nixon's constituency, since he had "sought to consolidate a domestic, and basically defensive, alliance of the bourgeoisie rather than preserving the offensive configuration of the Kennedy period" (Pijl, 1984, 254-255). Nixon had been put into office by the votes of the conservative Mid-West and the West Coast, and by the funding of the vested business interests emerging in the new centres of wealth in the fast growing Sun Belt (e.g. Texas, California). He belonged to the more inward-looking side of the New Deal coalition, and was renowned for being "resentful of the East Coast brahmins" in terms of their liberal ideology, their view of international relations, and their domination of domestic politics (Holland, 1991, 41).

Nixon also embodied a growing "awareness among the ruling class that the corporate-liberal concept of control had to be trimmed of some of its international implications" (Pijl, 1984, 254). The way the world had been set up and run by the US



under the guidance of these elites had led, in his opinion and the opinion of many others, to the disastrous involvement in Vietnam. Nixon was elected specifically on this platform, his promise to get America out of Vietnam. He formalised this withdrawal into the Nixon Doctrine, which called for America to take a more restrained vision of globalism based on a “far less disinterested” “systemic leadership” (Kunz, 1997, 217). In direct contrast to Kennedy’s commitment to ‘pay any price’ and ‘bear any burden’ in the effort against communism, Nixon made it quite clear that America “cannot--and will not---conceive all the programs, execute all the decisions” in the defence of liberty (Nixon, 1969, quoted in LaFeber, 1994, 638). Nixon was in many ways an *anti-establishment* president who both rejected the establishment’s vision of international and domestic affairs, *and* the establishment itself. As he made clear in an interview in 1972, it was during the 1960s that he first became aware that the US “saw a breakdown in frankly what I call the leadership class of this country” (Nixon, quoted in LaFeber, 1994, 634). He wanted to remove this ‘leadership class’ from its seat of power and replace it with the vested interests and electoral coalition that centred round him. His policies of “aggressive nationalism” infuriated the “traditional East Coast centres of Atlanticism”, driving a wedge between America and its Cold War allies, and threatening the whole trade order (Judis, 1991, 47; Pijl, 1982, 256). This is where much of the centrality of the Nixon era lies for this thesis; the *response of the establishment* to decline and the breakdown of the post-war hegemonic system. Its response was highly *fragmented* and *did not* represent an establishment response as such. Nixon represented a *schism* within its ranks, a political manifestation of the growing *divergence* of interests and views within the establishment itself.

Nixon’s very point of entry into power, the Vietnam War, was the war *the*



establishment got America into. The 'Vietnam syndrome,' the chronic fear Americans have of military adventures abroad, was not the only major political consequence of the war domestically. This war almost completely "discredited U.S. foreign policy and the Establishment that oversaw it" in the eyes of Americans (Holland, 1991, 41). Patrick Hatcher described this process in the title of his account of America's entry into the Vietnam War, *The Suicide of a Political Elite: American Internationalism and Vietnam*, (1990). The benevolent perception of the establishment soon fell apart and was replaced by a "hostile interpretation" which saw it as an entity that "shaped events for self-serving reasons from invulnerable positions behind the scenes" (Holland, 1991, 41). The popular perception of the establishment in America had always been based on tenuous and fragile foundations. The word 'elite' is practically a dirty word in American vocabulary because America "self-consciously celebrates egalitarian man" and abhors the notion of an establishment because it implies an "elite that governs, and therefore classes that are governed", that is "so counter to American myth" (Holland, 1991, 23). This was one of the reasons why the US establishment took a significant time to come together. The public's historic refusal to accept fully the existence of such elites has always forced the actual members of the establishment to "routinely deny that it exists, preferring to maintain that they are merely good citizens exercising their individual rights and responsibilities" (Holland, 1991, 22). The Vietnam debacle reanimated this aspect of US mass psychology and fed on the populace's paranoia. The establishment itself was torn apart by the debate over the war, with many of its members condemning America's overall Cold War strategy. Even the CFR became paralysed as it lost many of its most important members – Walter Lippmann, Hans Morgenthau, George Kennan – in protest over the continuation of the war

The Vietnam war thus destroyed the very “consensus that had made possible the Establishment’s hold over” foreign policymaking, fostering a political vacuum that Nixon was able to fill and use as opportunity to force his agenda on the establishment (Judis, 1991, 45). Of equal importance, though, were the *economic* divisions that developed as a consequence of decline and globalisation. The growth and prosperity of the post-war international economy had fostered a whole new set of international economic actors within America, new additions to the establishment. These new actors were the “major representatives of transnational capitalist interests” and were inevitably the people most threatened by a possible “splintering of the industrial capitalist nations” (Frieden, 1977, 7, 9). Their interests went beyond that of the international economy fostered by US globalism since they represented the new transnational (global or globalising) capitalist elite. This group had already developed a fairly clear vision of where its interests lay even before Nixon came to office, one of the clearest statements of its views being found in a speech made in 1967 by George Ball. Ball was a former Under-Secretary of State for Economic Affairs under Kennedy, and a director of Lehman Brothers investment house. While addressing the British National Committee of the International Chamber of Commerce, he said that:

In the past twenty postwar years, *we* have come to recognize in action, though not always in words, that the political boundaries of nation-states are *too narrow and constricted to define the scope and activities of modern business....*

...In order to survive, man must use the world’s resources in the most efficient manner... And this... will be possible only when national boundaries *no longer play a critical role in defining economic horizons....*

By and large, those companies that have achieved a *global vision* of their operation tend to opt for a world in which... all of the factors of production can shift with maximum freedom.

(Ball, quoted in Frieden, 1977, 4; my italics).



Though Ball was expressing the views of financial capital, the manufacturing sector held similar views. The multinational corporations (MNCs) of the past had transformed themselves into transnational corporations (TNCs), the goal of which was “to become truly transnational, posed above the sovereign power of any particular nation, while being serviced by the sovereign powers of all nations” (Parenti, 1995, 31). This was not just some impersonal structural shift, but something that corporate heads were very well aware of and consciously planning for. The chief financial officer of a TNC was quoted in *The New York Times* as saying that the “United States doesn’t have an automatic call on our [corporation’s] resources. There is no mindset that puts this country first” (1989, quoted in Parenti, 1995, 31). Dow Chemical once admitted of “thinking of becoming an *anational* firm” (Parenti, 1995, 31).

Such vested interests found Nixon’s “methods” and objectives “extremely upsetting” *to their* interests, and agreed that the “Nixon shocks were not going to heal themselves and that transnational interests had to be more vigorously championed internationally” (Frieden, 1977, 9-10). The strained political relations between the capitalist world had to be alleviated by renewing the faith in the open international (now transnational) economy through an ideological offensive that brought capitalist countries back together. This is the same kind of thinking that motivated the powers behind the CFR. In the post-Second World War era the American establishment has always believed in the “crucial principle” that “*Ideas Have Consequences*---the title of a 1948 book by Richard Weaver”, an important intellectual representative of the establishment (Susan George, 1997, 48). In other words, what we see here is the resumption of conscious political action on the part of the internationally (now globally) oriented elites in an attempt to re-chart the course of US foreign policy and plan for a new world order. David Rockefeller – son of Nelson Rockefeller – followed



in the footsteps of his father and initiated the search for an organisational format to carry out this ideological task. Though he was the chairman of the CFR, he “lost confidence that high-level policy discussions could be carried on” in it and “began to cast about for a new organization” (Judis, 1991, 48). The CFR had tried to renew itself intellectually through its “1980s project” (see Shoup and Minter, 1980), but it was not able to heal the rifts in its ranks, even after the US pulled out of Vietnam. The job of continuing the consensus-building functions of the CFR was taken up by the Trilateral Commission, which was created in 1973. As its title indicates, it also took its objectives to a higher level and aimed at fostering consent with and co-operation between the Triad regions (hence the title Trilateral), the core economic areas of the world economy: North America, Europe and East Asia.

Substantially, the Trilateral Commission included “representatives of the world’s most powerful banks, corporations, communications conglomerates,” international organisations, Noble prize winning intellectuals and a long list of former statesman (Frieden, 1977, 10). Its point of view can be best “understood” as representing the “ideological perspective” and “transnational outlook” of multinational corporations which “seek to *subordinate territorial* politics to *non-territorial* economic goals” (Falk, quoted in Frieden, 1977, 12; my italics). What these elites did then was to turn Nixon’s logic on its head. Instead of favouring internal over external hegemony, they decided to favour external over internal hegemony! This is an example of the central difference between an international and a global economy, as we pointed out above. The very purpose of America’s post-war global hegemony – maintaining internal hegemony – was itself *transcended* by this new corporate elite. This does not mean that it was conspiring against America’s internal hegemony or its economy. The Commission actually “assumed that America, having lost its absolute

superiority, would profit the most by ceding its economic sovereignty to a seamless international capitalism” (Judis, 1991, 51).

Like Nixon, these globalising organic intellectuals also believed that Bretton Woods could no longer be maintained. They mainly differed on what the appropriate policy response should be, and which philosophy and vision of the world should guide it. Ultimately, they embraced a solution based on “globalization”, something that could continue America’s internationalist project, while “protecting the benefits” America gained from interdependence at the same time (Commission Task Force Report, quoted in Frieden, 1977, 14). But the point is that, unlike Nixon, if it came to choosing between the welfare of the US economy and the world economy, transnational capital would go for the second option. The Task Force Report also called for “checking the *intrusion* of national governments into the international exchange” of goods and services (Task Force Report, quoted in Frieden, 1977, 14; my italics). The benefits of interdependence had to be protected against “those willing to pay a price for more national autonomy” – i.e. people like Richard Nixon (Task Force Report, quoted in Frieden, 1977, 14). This is at the end of the day what made this elite a transnational elite first and foremost.

With this as background, the evolution of the establishment in the context of decline and globalisation, we can proceed to complete this section. This involves following the Commission’s attempt to remake an establishment consensus to its final conclusion, and providing a broad outline of the aftermath of this attempt. Moreover, importantly, it involves providing a final overview of the internal and external American hegemonic context. We cannot gain a grasp of over the nature of the country America’s post-Cold War leaders have inherited unless we place our analysis in a neo-Gramscian framework.



### 3.2 – Setting the Hegemonic Context for the New Era:

#### The End of America's Internal and External Hegemony

Just as globalisation was responsible for the rise of the Commission and the elites it represented, it was also globalisation that was largely responsible for the failure of the project heralded by this intellectual forum and its backers. Its very transnationality worked against it because the Commission was *dislocated* from the rapidly changing realities of the American economy and society. The “crucial link” between the establishment and the unions fell apart during the 1970s thanks to the growth of import penetration and the “exodus of American companies to low-wage countries” (Judis, 1991, 47). In other words, decline and globalisation “cooled the liberal internationalist enthusiasm of *both* labor leaders *and* manufacturers” (Judis, 1991, 47; my italics). In the past, self-confident American businessmen were “willing to sacrifice” their dominance in their own markets in exchange for new open markets abroad (Kunz, 1997, 294). This was no longer the case after Europe and Japan had rebuilt themselves and become formidable competitors. But the “key” development that fundamentally changed the “trade landscape” was the “decline” of the “trade surplus” during the Reagan presidency (Kunz, 1997, 297). This put the country in the precarious position of perceiving its status and interests “from the perspective of a nation running a trade deficit” (Kunz, 1997, 306). It also put these internationalists and their activities in a very different light as far as public perceptions were concerned.

Any and all institutions that were associated with the ideology of globalisation and the representation of foreign capital were accused of “betraying” US interests and “using liberal internationalism to justify” the “predatory trade practices” of



competitors (Judis, 1991, 52). As influential as members of the Commission were, they were pushed into a corner and prevented from reaching out to the wider public, the media, and the unions. After the Commission the most prominent advocates of globalisation were the so-called “K-firms,” law firms and public relations organisations that grew up in the post-war era in K-Street in Washington. They helped shape the government agenda on trade and foreign investment *as* representatives of international capital, considering themselves to be “furthering the principles of liberal internationalism” (Judis, 1991, 53). But such explanations fell on deaf ears and even “provoked charges of corruption and conflict of interest within the Establishment” itself (Judis, 1991, 52). Though the Commission was very successful internationally (instituting economic summits, organising petro-dollar recycling), it gradually lost ground domestically as the populist base of labour leaders and domestically oriented businessmen left the internationalist cause.

The Commission was never even able to recapture the faith of Americans in the ‘benevolent’ role of establishment. As a Presidential Candidate Jimmy Carter actually claimed to be running “*against* Washington, campaigning on the principle that the federal government was an unworthy and destructive force in the life of the nation” (Holland, 1991, 41; my italics). In fact, much like the CFR the Commission also fell prey to divisions over how best to deal with the Soviet Union. It was paralysed by a wave of unresolved conflicts and resignations over whether the communists should be faced through *détente* or a renewed bout of containment. However, what finally destroyed the Commission’s attempt to re-chart US policy and create a new establishment was its “identification with the Carter administration” (Judis, 1991, 50). The majority of his administration were Trilateral members, his National Security Advisor – Zbigniew Brzezinski – was one of its founding members,

and Carter himself was a member. Carter's Presidency only lasted one term and was destroyed by the persistence of stagflation and the Iranian hostage crisis. These failures were hoisted onto the Commission, making membership in it a "badge of dishonor" (Judis, 1991, 50). With the end of Carter's Presidency Brzezinski "declared the Establishment all but dead" (Holland, 1991, 24). Here contingency and unpredictability, factors allowed for by the Gramscian approach, played a significant role in the Commission's failure. But the more important reasons lie in the inability of economic power by itself to guarantee success without ideological appeal and political consensus.

After the end of Carter's presidency the anti-establishment feeling grew even stronger, with Reagan also claiming to run against Washington, and George Bush having to leave the Commission to get elected as president. There were a number of important attempts by other organisations and elite groups to fill the void left by the establishment, but all failed. The most notable example of this was the attempt made by the ultraconservative Heritage Foundation that supported Ronald Reagan. It actually tried to construct a "counter-Establishment", much as Nixon did (Sidney Blumenthal, quoted in Judis, 1991, 51). But this initiative fell apart because of the Heritage Foundation's commitment to free trade and its association with Reaganomics. Reagan's attempt to cure inflation through high interest rates forced the value of the dollar so high that the exports of the very industrial magnates who funded the Foundation became uncompetitive. This forced them to abandon their "unequivocal support for free trade" and scale-back their support of the Foundation (Judis, 1991, 52). They were also not able to create a new strategic consensus around their agenda of the 'rollback' – as opposed to containment – of communism because of Gorbachev and the eventual winding down of the Cold War.



What is most important about the example of the Heritage Foundation, though, is the changing character of elite groupings and their objectives and strategies. The real problem with the Foundation was that it did not “consciously” try to “mimic the older Establishment institutions” (Judis, 1991, 52). It never even “pretended to be nonpartisan or to represent a consensus of elite opinion” (Judis, 1991, 51). It was more a lobby group than a think-tank, aimed at getting particular views across rather than constructing new views through debate. It was more focused on vested interests than the national interest. The only other major initiative to create something like the CFR came in the form of the American Enterprise Institute, which also failed because its “conservative funders... were *not* interested in financing a *nonpartisan* institution that did not mirror their views” (Judis, 1991, 52; my italics). The economic developments of the post-1945 world had created both new avenues of wealth for some, and new economic challenges for others, splitting the American establishment into competing capitalist factions with no ideological consensus and no shared or strategic vision. Though “elite opinion” in America “remained firmly in favor of free trade”, American leaders were increasingly forced to “balance the need for international free trade with domestic economic and political interests” (Kunz, 1997, 305, 297).

In effect, the liberal-internationalist historic bloc has fragmented along the lines of the various business groups that had previously backed it. The “solidarity” between different businessmen “over the definition of the national interest in trade policy” has largely collapsed (Stant, 1996, 80). But at the same time “no consensus on a replacement” for free trade policy has surfaced (Kunz, 1997, 308). No historic bloc has come to replace it, no new coalition of businessmen, politicians and intellectuals has formed. Instead from the Nixon-Ford-Carter era onwards the “parameters” of US



trade policy have increasingly been determined by the “interaction between global macroeconomic conditions and corporate power” (Ronald Cox, 1996, 109). The only stalwart economic advocates of internationalism generally, and the Trilateral vision specifically, have remained Wall Street bankers and lawyers. The rest of the establishment has fallen by the wayside. Ironically, the very concept of the ‘national interest’ has lost much of its efficacy in the context of globalisation. Globalisation has meant that a wide variety of individuals and groups in “different socioeconomic classes, economic sectors, or geographic regions are *affected differently by international forces*” (Deese, 1994, 4; my italics).

In the neo-Gramscian paradigm the state is an autonomous and independent actor that mediates between the domestic and international spheres of activity. With globalisation the international has come increasingly to act “*directly on domestic society rather than... through the government*” (Deese, 1994, 12; my italics). Not only has globalisation isolated its advocates from the mainstream of American society and economy, it has also fragmented the very entity that *is* America while circumventing the state in the process. The US state has increasingly lost its autonomous ability to organise diverse vested interests into a single, unified national interest through its mediation and regulation of transactions and flows between the domestic and international arenas. In the past Americans “defined for themselves a role and image” of world leadership where the US “shaped” the world according to its image and values (Deese, 1994, 2). From the 1970s onwards many in power have turned this vision on its head and increasingly see “the world out there” as the master of America’s fate, disrupting “lifestyles” and “gradually transforming the character of the nation” (Deese, 1994, 2). The world now shapes US politics, and not the other way around.

In domestic terms, the hegemonic attitude that once pervaded the business community towards the other classes and the domestic economy no longer exists. The financial side of the establishment benefited the most from the age of 'speculative abuse' ushered in by Reagan, oblivious to the fact that this kind of capitalism was characteristic of the 1920s, the era *before* the establishment came into being. Globalisation also had a role to play here. The financial interests that emerged after the Wall Street Crash were conservative, "stodgy 'golf-course' bankers" who were concerned primarily with maintaining stable financial markets (Moffitt, 1984, 55). This breed were replaced in the 1960s by "gunslingers" who "understood the need to go global" and were not as nationally rooted as the previous generation (Moffitt, 1984, 55-56). This new generation of capitalists in general are not interested in promoting an image of themselves as people who "play a disinterested role in public affairs", but have "so far only flaunted their wealth or flattered themselves by purchasing glamour" (*Wilson Quarterly*, 1991, 57). As a consequence, the New Deal coalition and the Keynesian consensus also fell apart thanks to stagflation under Carter and deregulation under Reagan. The 'social compact' which kept the establishment together at the level of party politics no longer exists. The cycle of history has catapulted much of the establishment back to where it was before the Great Depression and the Roosevelt administration.

Much of the opposition Roosevelt encountered from the WASP-dominated establishment was a reaction to his attempt to open up the government to "religious and ethnic minorities" and *break* WASP-domination of these institutions (Holland, 1991, 34). From the 1980s onwards the WASP elite returned to its old pre-hegemonic habits, again trying to "bar the doors of entry" to new social elites, such as the Jews, retreating behind its "privileges" and contenting itself with "selfish pursuits"



(Holland, 1991, 41). In terms of culture and societal relations the “whole view of the world and of history, as well as the culture, standards, and manners” that produced the establishment gradually receded into the past (Holland, 1991, 41). The foreign policy community lost its “generally shared bipartisan (or nonpartisan) worldview” and succumbed to the lure of the “politics of interests” and the “politics of ideas” (Tierney, 1994, 124-125). In its present state the establishment is “larger, more heterogeneous, more publicity conscious, and more ideological” (Tierney, 1994, 124). The “conviction, spirit, and sense of common moral purpose” needed to convince others that the establishment plays a “disinterested role in public affairs” no longer exists (*Wilson Quarterly*, 1991, 57). In sum, the establishment has lost its sense of “public service”, with the present generation treating government posts “simply... as a stepping stone to lucrative reentry into the corporate world” (Holland, 1991, 41-42).

Much American foreign policy since Nixon has been a corollary of this domestic situation, since America’s leaders no longer have the inclination to organise world affairs in a hegemonic fashion. In Gramscian terms such a situation is denoted as “minimal hegemony” where the hegemon does not “wish to ‘lead’ ” and “concord” its interests with the interests of others (Femia, quoted in Cafruny, 1990, 106). America under Nixon wished to “ ‘dominate’ and not to lead”, relying predominantly on “coercion to maintain order” (Femia, quoted in Cafruny, 1990, 106). This changing attitude is also rooted in the changing objective determinants of power, at least as perceived by America’s leaders. According to former Nixon official C. Fred Bergsten, writing in 1988, the US lacks what he calls ‘positive power’. It is still the most powerful country in the world, while its rivals are “too weak and disorganized to consolidate a counterhegemonic bloc” (Cafruny, 1990, 106). But as powerful as it is, its power is “no longer sufficient to compel most countries to accept its views on



many issues, or to induce them to do so with financial and other rewards” (Bergsten, 1988, 66). It no longer has enough power to “shape on its own the rules of a consensual hegemonic order” (Payne and Gamble, 1996, 14). The world order since Nixon is thus one where “hegemony has given way to domination” (Robert Cox, quoted in Payne and Gamble, 1996, 14).

Therefore, the world America’s leaders face today is a “post-hegemonic” where it is “no longer possible for any one hegemonic state... to provide the ‘public goods’ of political and economic stability to the world capitalist order” (Cerny, 1993, 5). America no longer has a historic bloc with a hegemonic establishment at the centre of it. As John B. Judis aptly put it, “American foreign policy, once the realm of the gods, has become the domain of mere influence peddlers” (Judis, quoted in Tierney, 1994, 125). *This* is the America George Bush and Bill Clinton inherited. This is the America that entered the post-Cold War world, a very different America from the one that entered the Cold War. How the shifting and changing hegemonic configuration of power within the US and between the US and the world has effected globalism, in the post-Cold War context, will be explored in the upcoming chapter.

#### Section 4 – Plan of Thesis:

This chapter was essentially introductory. It provided us with the theoretical background needed to conceptualise globalism in hegemonic terms, through the related themes of hegemony, world order, consent and stability. It also fulfilled the central task of providing the historical background needed to gain a grip on the concept of globalism in general, and the particular fact of US globalism, its material and ideological grounding, its unique features, and its historical evolution. We must reiterate that the US that entered the post-Cold War world was *not* the same US that entered the post-war world. Both the US and the world order it created underwent major and fundamental changes that also revolve around the themes outlined above (hegemony, historic bloc, world order). A preliminary account of these changes was necessary if we are now to go on to grasp the true nature of the dilemma America is facing today in the post-Cold War world.

Chapter 2 gives an account of how and why US globalism has been altered in the contemporary context, given what we have said in Chapter 1. A broad overview of America's actual policies in this new era will be provided. This will also give us the appropriate background for the rest of the thesis, but the main objective here is to see how globalism, of whatever kind, has fared in the US with the beginning of the post-Cold War era. Chapter 3 deals with the nature of the American dilemma, at the level of policy and legitimisation, with particular reference to the ideational character of the dilemma. If Chapter 1 dealt with the conceptual structure of globalism at the level of theory, history and policymaking, then Chapter 3 deals with the deeper significance of

globalism to America as a whole – policymakers, establishment, and public. Here the appropriate question is: how do globalist ideas fit into the perception America has of itself, its interests and objectives, and how it should best pursue them? It is a ‘link’ chapter that bridges the divide between the two introductory chapters before it and the two core chapters after it. It bridges this gap by providing the ideational background needed to decipher, categorise and understand the contents of Chapters 4 and 5. We have to see how globalism has been dealt with in relation to these dilemmas, beginning with the different schools of thought that are trying to fill the conceptual vacuum left by containment. I therefore, set out in this chapter the ideas of the various dominant foreign policy schools of thought in order to get an initial grip over the broad outlines of America’s intellectual response to the end of the Cold War. Another central issue dealt with here is the exact relationship between America’s foreign policy intellectuals and the various centres of power in America. This follows on from what we said in Chapter 1 about the Gramscian designation ‘organic intellectual’. But, more importantly, it also allows us to draw connections between the specific intellectuals and groups of intellectuals dealt with below, and America’s political, economic and intellectual elites.

The rest of the detailed account of the specifics of the post-Cold War debate, the particular ideas being put forward, comes in the form of Chapters 4 and 5. This is the core of the thesis, and so is best dealt with at greater length and in detail, in contrast to the summary style used in the other chapters. But the size of the material is not the only reason for splitting the content into two chapters. The other reason is the nature of the subject matter itself, the categories that best classify the intellectual produce. From the beginning of this thesis there has been an emphasis on two distinct aspects of globalism, the economic and the geopolitical (or strategic). This distinction



is followed through in the context of post-Cold War foreign policies in Chapter 2, and given more ideational and historical depth in Chapter 3. In reality, of course, these two aspects have been connected and are part of the overall strategy of globalism. But they are analytically distinct, deal with different issues, follow their own logic, and are not necessarily congenial to each other. The most prudent approach is to deal with them separately under the titles 'Geopolitics' and 'Geo-Economics'. At the same time an attempt will be made, particularly in relation to geo-economics, to ground materially these primarily ideational accounts. The state of the American historic bloc and the American establishment, in addition to the processes of decline and globalisation, all factor into the accounts given.

Chapter 6, the 'Conclusion,' is basically a summing up of the contents of this thesis and does not represent a separate piece of work where new evidence is used and a new angle on the previous material is developed. It will for the most part seek to tie together all the various strains of thought found in this work as regards the dominant and distinguishing features of the debate over globalism in America today. Here the logical chain of argumentation completes itself, and the thesis ends.

**CHAPTER TWO –**

**THE BREAKDOWN OF AMERICA’S GLOBALIST HEGEMONIC PROJECT:**

**THE GEOPOLITICS AND GEO-ECONOMICS OF THE BUSH-CLINTON ERA**

There is nothing more difficult to carry out, nor more doubtful of success,  
nor more dangerous to handle than to initiate a new order of things.

Niccolo Machiavelli

(quoted in Hixon, 1989, xvii).

What *is* new about the emerging order is that, for the first time, the United  
States can neither withdraw from the world nor dominate it.

Former Secretary of  
State Henry Kissinger

(Kissinger, 1994, 19; italics in original).

Ask not what your country can do for you, ask  
what exporting can do for your country.

*Business America*

(1993, quoted in Michael Cox, 1995, 21).

## Introduction:

In this chapter we give an account of how and why US globalism has been altered in the contemporary context, bearing in mind what we have said in Chapter 1. The chapter begins and ends with a broad overview of America's economic and security policies in this new era. Obviously, given the sheer mass of different policies, I cannot focus on every (relevant) component of America's developing approach in the new era. Instead, what needs to be done is to 'extract' from these various policies the core constituents of America's overall strategy, by locating the commonalties and inter-linking of priorities that shape most of America's crucial policy initiatives. This will also provide us with the appropriate background needed for the rest of the thesis, helping us to relate the new ideas and how they fit into – or do not fit into – the contemporary direction of US foreign policy. Moreover, this has to be done while constantly referring to conclusions reached in Chapter 1, namely the effects of the twin processes of globalisation and decline on US globalism. Discussing these changes to globalism does itself demand some further elaboration over the details of globalism, particularly at the doctrinal level.

I deal with this under the rubric of 'multilateralism' in the economics section, while security is dealt with through the concept of 'global stability'. Fleshing out these doctrinal details will provide us with the material needed to compare and contrast policy during the Cold War and post-Cold War eras. From there I will go on to factor in the



issues of globalisation and decline, as dealt with above. This, in turn, will also allow us to place the new ideas being put forward in their appropriate historical context, providing more background for the upcoming chapters. The intention here is to provide a snapshot of the kind of societal forces, vested interests, and related ideological positions that have coalesced into the schools of thought dealt with later on. The chapter ends with a summary of the main conclusions reached here, and an account of the relevance of these conclusions to the rest of this thesis.

## Section 1 – The Changing Economics of Globalism:

### Multilateralism, Regionalism, and the Economics of Consent

#### 1.1 – The New World Economic Order:

##### Economics as National Security in the Geo-Economic Age

As we made clear in Chapter 1, much of the substance of the changes in US foreign economic policy originates in the 1970s, both in terms of the actual new policies taken and the reasons behind these changes. But, at the ideological and ideational level, the full effects of these changes have only really been felt in the post-Cold War era when a conscious attempt was made at formulating these objective changes into a consistent set of subjective principles. The nature of this aspect of these hegemonic transformations will be the entry point by which we will deal with the whole issue of the post-Cold War economics of globalism. Though much of Clinton's economic agenda has been identical to Bush's, and often inherited from him, Clinton was the first to articulate a new ideological stance on economic policy in the context of the post-Cold War world. Clinton's very election as president depended on this. George Bush, the quintessential 'foreign policy' President, was accused of "lacking a global vision" and "failing to develop a global plan or charting a decisive" direction in international relations (Randall, 1992-93, 13). To be more accurate, what Bush lacked was an *economic* vision of where America's destiny lay in the new era. The priorities of the new era were not those of the

past, and Bush's very prominence in foreign policy worked against him because he was a creature of the Cold War, of a geopolitical understanding of national strategy.

A long series of polls organised from 1990 to 1992 by the Council on Competitiveness, Gallop, USA Today, ABC, The Washington Post, the Associated Press, etc. produced consistent results (77%, 80%, 83%, 66%, etc.), demonstrating that domestic and economic issues were by then the dominant concerns of the public (Inman and Burton, Jr., 1994, 179-185). The Democrats generally, and Clinton specifically, capitalised on this groundswell of economic anxiety and focused 'like a laser-beam' on the economic agenda. Clinton ran on the now famous slogan 'It's the Economy, Stupid!' while the Democrats "coined the phrase 'George Bush doesn't get it' " (White, 1997, 202). In a side election for the Senatorial seat of Pennsylvania in 1992, the inexperienced Democrat candidate was able to beat the experienced Republican who was 40 points ahead (and in a safe Republican seat) on the slogan, "It's time to take care of our own" (Destler, 1994, 27). This candidate also ran against the policies of Bush himself, passing out T-shirts "featuring 'The George Bush Tour,' where the President would take people 'anywhere but the USA' " (Destler, 1994, 27). His success in a 'David-versus-Goliath contest' sent shock waves through political circles. As a result, Bush recast his November 1991 visit to East Asia from a geopolitical visit aimed at strengthening security relations to an economic visit, with the stated goal being 'jobs, jobs, jobs' (see Destler, 1994, for further details).

This sudden shift in priorities actually had the opposite effect, given that Bush was not able to produce any real results during the trip, exposing his lack of "any real feel for the economic and political nuances" of U.S.-Japan relations (Destler, 1994, 32). This



was in marked contrast with the “cool professionalism he repeatedly exhibited in security” (Destler, 1994, 32). In marked contrast, Clinton was elected because he put forward a distinct and alternative ‘worldview’, summarised by Democrat House Leader, Richard Gephardt, as one where economic issues outweighed geopolitical issues. In this new world “economics and foreign policy intertwined” (Gephardt, quoted in White, 1997, 203). The Clinton team took these abstract principles further and constructed a comprehensive new grand strategy, modelled on the previous grand strategy of containment. This new strategy came under the title of ‘Enlargement’ or ‘Democratic Enlargement,’ the new generic term that was adopted to cover America’s post-Cold War approach to international affairs. As the title indicates, the word enlargement was (deliberately) adopted as the opposite of containment, symbolising fully the shift from Cold War to post-Cold War. During the Cold War America contained a “global threat to market democracies: now” the task at hand was the enlargement of this free community (Anthony Lake, quoted in Chomsky, 1993b, 1).

The enlargement doctrine capitalised on a “picture of the contemporary world that has risen well beyond opinion, to the heights of truism”, envisioning the free market as the “ ‘wave of the future – a future for which America is both gatekeeper and the model’ ” (Thomas Friedman, quoted in Chomsky, 1993b, 1). Underlying this political vision was a powerful economics subtext. Clinton likened enlargement to the “old anticommunist ‘domino theory’ in reverse: it posited that where communist command economies collapsed, free markets would eventually arise and flourish” (Brinkley, 1997, 116). As John Foster Dulles was “accused of ‘pactomania’ for engineering so many security treaties, Clinton was practicing pactomania for free trade” (Brinkley, 1997, 123).

Enlargement was understood not so much as a drive for the enlargement and strengthening of democracies as the enlargement and strengthening of 'market' democracies. In US vocabulary these two words practically mean the same thing. Clinton's actual policies for promoting democracy were quite limited and only focused on countries that were of some economic weight. The Clinton administration "rejected the more expansive" "duty-bound" view of America's new mission and combined this "neo-Wilsonian idealism with hard-core neo-Morgenthauian realism" (Brinkley, 1997, 116, 115). The emphasis has been on freeing trade. Moreover, Clinton hoped that as the emerging democracies stabilised and economic reforms took root, they would develop "consumer-oriented middle classes with the desired appetites" for US goods (Brinkley, 1997, 117). What Clinton liked the most about enlargement was the way it was "*inextricably linked* to domestic renewal, with its emphasis on making sure" the US "remained the world's largest exporter" (Brinkley, 1997, 117; my italics).

Another reading, perhaps a better one, of Clinton's priorities and policies was provided by his then Under Secretary of State for Economic, Business and Agricultural Affairs, Joan E. Spero. She listed America's new priorities in these five points:



In today's world...[t]he first priority... is the *economic security* of the American people.

Our first goal is to get our own economic house in order...

The second... is *open markets*...

Our third... is to help build a solid economic foundation to support the world's new democracies...

Our fourth... is to promote sustainable and broad-based growth in the developing world...

Our fifth... is to improve coordination among the world's economies and modernize the 'architecture' that ties the world economy together.

(Spero, quoted Kegley and Wittkopf, 1996, 75; my italics).

Democracy was a central component no doubt, but was listed as point number three, after the more central economic objectives. What was really at the centre of Clinton's new grand strategy was not promoting democracy, but promoting exports. The issue of "economic competitiveness" – as Clinton himself said – was "at the heart" of his view of America's "foreign policy" (Clinton, 1994, quoted in Brinkley, 1997, 116-117).

For the Clinton administration this new emphasis was a product of two major global transformations the world had gone through. The first and most important was the process of globalisation, an idea that "played a crucial role in helping shape Clinton's economic outlook" (Michael Cox, 1995, 26). For many in the administration the "nation-state as an economic unit had lost a good deal of its meaning; there was effectively no such thing as a distinct or separate American economy" (Michael Cox, 1995, 26). As Clinton's first Labour Secretary, Robert Reich, put it famously, " 'us' no longer exists" (Reich, quoted in Michael Cox, 1995, 26). Clinton's political economy rested on the assumption that the US was now "a 'region' of a wider 'global economy' ", a subset of a national economy writ large (Reich, quoted in Michael Cox, 1995, 27). This was the



natural consequence of a world where corporations had “no particular connection to any single nation” (Michael Cox, 1995, 27). In such circumstances the US had no choice but to be at the centre of this ‘regionalised’ global economy”. This also helped the administration rationalise its rejection of the mere notion of isolationism, since this was now “economically inconceivable” (Michael Cox, 1995, 27). In effect, this confronted the American public with the stark realities of life. It also gave Clinton the opportunity to appeal to their “raw economic self-interest” in another effort against isolationism (Michael Cox, 1995, 23). For Clinton the best way of guaranteeing internationalism was this ideologisation of economics, the most prudent way of maintaining globalism was the embrace of globalisation.

The second global development was the end of the Cold War itself, and in particular the implication that the “age of geopolitics has given way to an age of what might be called geo-economics.” (Martin Walker, quoted in Brinkley, 1997, 116). The “new virility symbols” had become “exports and productivity and growth rates”, while the “great international encounters” were between the “economic superpowers” (Walker, quoted in Brinkley, 1997, 116). Democratisation was part of this whole geo-economic strategy because the economic pacts (NAFTA, APEC) Clinton signed were launched under the mantle of enlargement. The real purpose of these pacts is to allow the US to lock “itself steadily into the heart of each” region (Kristol and Kagan, quoted in Brinkley, 1997, 125). Given this fact, Clinton’s rationale was that America’s position abroad would be weakened if it did not put its own domestic economic house in order, by reducing the deficit, shifting military spending to infrastructure investment, and supporting high-technology industries.

This broad strategy meant that the whole relationship between government and business had to be rethought. The administration believed that American industry had not received enough support traditionally – the “adversarial tradition” – and that this was one of the reasons why Japan and Germany had been able to catch up with the US (Inman and Burton, Jr., 1994, 175). Moreover, in an age of “cut-throat” competition “where economics was power”, the US “*had to view trade issues in clear ‘strategic terms’*” and bridge this gap between business and government (Garten, quoted in Michael Cox, 1995, 26; my italics). Decline was also advocated as another reason, given that laissez-faire “might have been feasible when” the US “had been economically predominant,” but this was no longer the case (Michael Cox, 1995, 23). From this perspective America faced several economic threats: a “fundamental and cumulative economic decline relative to the other major industrial states; a loss of crucial economic and technological capabilities... and a growing dependence on other countries for vital goods” (Moran, quoted in Michael Cox, 1995, 26). These realities meant that the US “could not ‘afford the soothing but irrelevant position that market forces alone’ could solve” America’s problems (Tyson, quoted in Michael Cox, 1995, 25). Clinton made it very clear that his administration, “‘in contrast to previous’ ones, would be ‘unashamedly active in helping’ American business abroad” (Clinton, quoted in Michael Cox, 1995, 35). Clinton’s first Treasury Secretary, Lloyd Bentsen, made this even clearer when he said: “I’m tired of a level playing field... We should tilt the playing field for U.S. businesses” (Bentsen, quoted in Chomsky, 1997, 111). Thus, enlargement meant not only pushing free trade, but also pushing “free trade on American terms” (Brinkley, 1997, 127).

Clinton’s foreign economic policy has also represented a “change in mind set as



significant as any that has taken place in [our] nation's history" (American official, quoted in Michael Cox, 1995, 23). What we can see here is a 'paradigm shift' or 'gestalt shift' where economics has taken the place of security; a shift from high to low politics as the prime moving force of policy. Promoting trade has "almost become synonymous" with US foreign policy itself (Michael Cox, 1995, 23). It has even extended out of the frame of foreign policy and become a common household word. Trade has been " 'linked to virtually all aspects of American life... jobs... stable communities... research and development... new directions in education', even 'to health care reform' " (Garten, quoted in Michael Cox, 1995, 23). Clinton has even gone as far as institutionalising this new perspective in the very apparatus of government itself. The new export strategy thus does not just consist of R&D funding and non-tariff barriers, but the involvement of government in the day-to-day activities of American firms abroad by providing them with the information they need to find customers and calculate prices and profits. He has tried to create a more economically 'attuned' foreign policy bureaucracy, giving more priority to departments and agencies with economic portfolios. He also tried to change the very attitudes of federal officials as to what the proper work of governments is. In the State Department, for example, diplomats have been given courses in economics.

The Clinton's administration's diagnosis of America's economic ills took into account the institutional and ideological reasons for the 'adversarial tradition' between American business and government. The roots of this are varied, but include the historic absence of a strong, centralised federal bureaucracy and the entrenchment of laissez faire beliefs. Of particular importance was the isolationist mindset, the fact that America's "geographic isolation and relative international economic strength" has "caused both



business... and government... to think in domestic terms rather than view the economy from an international perspective” (Inman and Burton, Jr., 1994, 177). His administration was dedicated to shifting the focus from the domestic to the international, and ensuring that the whole state apparatus approached domestic problems from an international perspective. The most important change undertaken to this end was the establishment of the National Economic Council, which was “modeled on the National Security Council, with authority to coordinate and formulate advice across the whole range of national and international economic issues” (Weatherford and McDonnell, 199, 419). It was originally supposed to be called the “Economic Security Council” (Weatherford and McDonnell, 1996, 419). The purpose of this centralisation was to put in place the institutional grounding for the elevation of the economic agenda. It was also intended to “counter-balance the bureaucratic weight of the National Security Council... with its focus on more ‘traditional’ foreign and security policy concerns” (Michael Cox, 1995, 17). The head of the NEC was thus to have the “same rank and status as the national security advisor” and report directly to the President himself, also like the NSC head (Kanter, 1994, 151).

The NEC process gives a clear priority to economics since the Council’s job is to “coordinate economic and trade policy across rather than within the domestic and foreign policy spheres” (Kanter, 1994, 152). This process generates an integrated foreign economic policy, but *not* an integrated foreign policy as a whole. The NEC process makes “foreign policy a means by which to *achieve economic objectives*, rather than using economic instruments to achieve” foreign policy goals (Kanter, 1994, 152; my italics). The security bureaucracy, with its apex at the NSC process, “no longer has overall responsibility for foreign policy coordination and integration” (Kanter, 1994,

152). This removes national security as the prime organising principle of foreign policy, with all the other foreign policy priorities subsumed under the economic imperative. The economic imperative itself has been incorporated in Clinton's national security plans. His so-called 'Bottom Up Review' (see below for details) calls for the US to get involved when there are "economic dangers to our national security, which could result if we fail to build a strong, competitive and growing economy" (Bottom Up Review, quoted in Berman and Goldman, 1996, 302). By saying this, a US administration has, for "the first time," made "U.S. economic strength... *formally*... part of the security lexicon" (Berman and Goldman, 1996, 302; my italics). In fact, geo-economics seems to be taking the place of anti-communism as the primary ideological glue of a new planned hegemonic configuration of social forces in America. The whole Democrat geo-economic agenda is part-and-parcel of a new hegemonic project, a conscious attempt on their part to create some form of consensus between business, labour, government, and the public and press over America's future.

Clinton's rationale is that a new relationship between state and business can only succeed if each group can "look *beyond its own parochial interests to the broader national good*" (Inman and Burton, Jr., 1994, 186; my italics). This has to be done if they are to gain "*credibility*" and "*legitimacy*" with "each other and the general public" (Inman and Burton, Jr., 1994, 186, 188; my italics). The media also "*plays a pivotal role*" since it is, in "many ways... *the watchdog of the public interest*" (Inman and Burton, Jr., 1994, 187; my italics). Moreover, the press forms a central organ for the popularisation of these ideas, helping to "articulate the new agenda", "encourage new partnerships" and be "instrumental in pointing the way to progress" (Inman and Burton, Jr., 1994, 187). The

advocates of the new policy believe that it would be impossible to “mobilize public opinion behind this new agenda” without insuring more “investment and jobs”, with a particular emphasis on jobs (Inman and Burton, Jr., 1994, 188-89). In this sense, Clinton’s economic ideology “harks back in many ways to that of President Kennedy” and its “emphasis on economic growth as the primary vehicle for ameliorating” the country’s economic and social problems (Weatherford and McDonnell, 1996, 415). Kennedy was one of the first presidents to use the GATT trade liberalisation rounds (beginning with the Kennedy Round) to “provide a jump start” for growth (Kunz, 1997, 296). According to Arthur Schlesinger, Jr., trade expansion was the “unifying intellectual principle of the New Frontier”, sitting at the heart of Kennedy’s “grand design” (Schlesinger, Jr., quoted in Ronald Cox and Skidmore-Hess, 1999, 105). By doing this Kennedy set a precedent for all those that came after him, a precedent that Clinton has exploited to the full. For Clinton, again, the “emphasis is on building productive capacity *rather than* stimulating demand” (Weatherford and McDonnell, 1996, 415; my italics). In many ways, both Clinton’s and Kennedy’s agenda’s hark back to the ‘productionist’ ideas of the New Deal, and the class compromise it engendered.

Clinton’s “activist orientation... is twinned with skepticism about social programs of direct intervention” (Weatherford and McDonnell, 1996, 416). Export promotion is an indirect and therefore socially safe substitute for direct intervention and deficit spending. In this sense, Clinton is a “cautious defender of the establishment” (Weatherford and McDonnell, 1996, 417). As Ronald Cox says, Clinton is “governing within ideological parameters that keep trade, fiscal, and monetary policy within bounds that serve corporate globalists first and popular interests as an election-year afterthought” (Ronald Cox and



Skidmore-Hess, 1999, 214). Even Clinton's progressively inclined (first-term) Labour Secretary Robert Reich "made a well-publicized remark to the effect that it remained an open question whether organized labor had a role to play in the emerging global economy" (Ronald Cox and Skidmore-Hess, 1999, 205). Whether Clinton has actually been able to capture the imagination of Americans through the slogan 'Democratic Enlargement' and whether his geo-economic ideology has been able to create consensus is another matter all together. The fact that this project has been largely circumscribed to Clinton, the Democrat party, and the vested interests they represent is evidence that this project is not truly hegemonic in its origins. It is not the product of a broad-based capitalist class initiative guided by a consensus among organic intellectuals. But the point is that a hegemonic project of sorts exists, and any account rendered of post-Cold War US politics has to factor in the existence of such a project. The intellectual produce of the post-Cold War era has to be placed within this frame of reference. I will carry out this task first with reference to the rest of the post-Cold War economic agenda, and then with reference to the security agenda.

## 1.2 – America's Post-Cold War Trade Strategy:

### Globalism, Coercion and the GATT Uruguay Round

The US, as the "undisputed *force majeure*" of the post-war economic order, set up the GATT trading order in such a way that it took upon itself a "disproportionate share of the 'cost' for providing free trade" (Bhagwati and Irwin, 1996, 99; Ahnlid, 1996, 72). When the US transcended its narrow, corporate self-interests in the pursuit of its long-

term interest, it did this by opening “its own borders *substantially* in return for an *easing* of protectionism by others” (Stein, 1984, 379-380; my italics). The US made an “asymmetric bargain” in trade in order to fulfil its ‘role’ as an “economic hegemon” (Stein, 1984, 379). Compromises over unfair advantages are at the very heart of the hegemonic system the US established, as we know from the previous chapter. But the species of unfair advantages inherent in GATT are of a completely different nature and deserve to be analysed separately. The concessions America made to its allies were concessions it made to those allies and to those allies only. They were bilateral in nature, involving arrangements between the US and its allies over various issues. GATT was a multilateral institution, its laws applying to all equally. The asymmetries present in GATT were thus universal and system-wide, open to all participants, and not just to America’s allies. The US, thus, had less of an inclination to maintain these asymmetries because it did not get as much in return. But, at the same time, it could not do without them because multilateral free trade was at the very heart of its hegemonic system, and any move away from multilateral principles might be said to entail a move away from globalism. This is what Stein calls the ‘Hegemon’s Dilemma,’ the price a hegemon has to pay to all countries in order to guarantee free trade (see Stein, 1984).

Since Nixon the argument that the US “should absorb costs to its specific trade interests in order to help maintain the broader international trader system” has been “undercut”, while Nixon’s complaint that the US can ‘no longer afford’ this policy has become “nearly universal” (Destler, 1992, 49-50). It is because of this that the US increasingly vented its anger at the multilateral system during the last round of GATT negotiations, the Uruguay Round (1987-1994), covering the presidencies of Reagan,

Bush and Clinton. The two dominant bases of multilateralism in GATT – ‘diffuse reciprocity’ and ‘unconditional most-favoured-nation’ (m.f.n) treatment – were the first to be attacked. The principle of unconditional m.f.n holds that tariff “preferences granted to one state must be granted to all others exporting the same product” automatically and unconditionally (Kegley and Wittkopf, 1999, 235). This also means that the US has to reduce tariffs for all countries on a certain good, regardless of whether these countries also reduce their tariffs on US goods. This is one of the asymmetries GATT introduced into trading relations with the US. As for diffuse reciprocity, this entails that countries must reduce their tariffs in tandem with the reductions of others, “regardless of the initial tariff levels” (Ahnlid, 1996, 73). Two countries with different tariff rates can reduce tariffs by the same proportion, still leaving them with different tariff rates. The new World Trade Organisation (WTO) produced by the Round replaced unconditional m.f.n by a conditional version which allowed the US to “maintain its ability to use unilateral punitive actions against countries that kept their markets closed to services from US suppliers” (Ahnlid, 1996, 77). Here m.f.n is granted on ‘condition’ that certain requirements are met, and these requirements are negotiated outside of a multilateral forum. This puts the US in a position to determine these conditions in a way that favours its industries. The WTO also substituted diffuse reciprocity with ‘specific’ reciprocity. This kind of reciprocity focuses on the “equal sharing of burdens” with the intention of creating a “level playing field” where tariffs are reduced to the same level (Ahnlid, 1996, 67, 75).

WTO provisions also use a ‘sector by sector’ approach to judge the results of tariff reductions, instead of making assessments based on the overall balance of



reductions, as in the past. This altered the system of negotiation in a number of sectors, pushing it into a bilateral format where the larger negotiating partner can throw its weight around more often. Another important multilateral principle, 'national treatment,' has also come under attack. This principle further insures non-discrimination in trade by insisting that imported goods are treated the same as those produced domestically. With the WTO national treatment is no longer a "general obligation" and only comes into play for services where "country-specific commitments have been agreed upon in bilateral negotiations" (Ahnliid, 1996, 80). All of these changes have come at the behest of US demands, a product of the anxiety resulting from the "relative decline" of the US within the world economy, what Jagdish Bhagwati calls "diminished giant syndrome" (Bhagwati, 1991, 16). Mickey Kantor, Clinton's top trade official, explained that the US wanted a "global trading system that fits the 1990s, that recognizes the world as it is rather than it once was" (Kantor, quoted in Ahnliid, 1996, 74). Senator Lloyd Bensten, the Chairman of the Senate Finance Committee, also warned that the US had to "lock in... benefits today" in the face of the new "major players" that had emerged and would continue to emerge in the post-war era (Bentsen, quoted in Ahnliid, 1996, 74).

Also significant with respect to decline was that the US took a completely different negotiating strategy in this Round. The negotiations in general had a far more intense neo-mercantilist character, with the US only granting m.f.n provided "sufficient commitments on national treatment and market access" were made by a "critical mass" of countries (Ahnliid, 1996, 82). With economic decline the world has become tripolar, both in terms of economic activity and economic decision-making, whereas in the past – in the heyday of US hegemony – the world was economically unipolar. Since the 1970s the US

has been “less willing and able to lead the system”, while the EU and Japan have also “not” been “prepared to assume a leadership role” either (Spero and Hart, 1995, 62). This description of international affairs constitutes the picture with which America’s leaders went into the Uruguay Round negotiations. When she wrote these words in 1995 Joan E. Spero was the Under Secretary of State for Economic, Business and Agricultural Affairs of the Clinton administration. In the context of the Uruguay Round this meant that none of the major players was able to form a critical mass of agreement on every sector, which led to finance, maritime services and telecommunications being left out of GATS (General Agreement on Trade in Services, paralleling GATT in the services sector). Given these various deadlocks and controversies, it is “actually quite remarkable that an agreement was reached at all” (Krugman and Obstfeld, 1997, 241). Indeed, it was only reached because of an “interlocking set of political calculations” where the major players compensated their losses in some sectors with gains in others (Krugman and Obstfeld, 1997, 241). In addition, underpinning these calculations was the greater “fear of what would happen if it failed” (Krugman and Obstfeld, 1997, 241).

### 1.3 – The Regionalisation of US Trade Policy: The Configuration of Hegemonic Forces Behind NAFTA

Two parallel processes are responsible for the development of America’s post-Cold War trade strategy in general, and with reference to the North American Free Trade Area (NAFTA) project in particular. The first, decline, has been dealt with extensively above. This is an objective reassessment of America’s priorities and methods of running

the international trade order, a re-evaluation made by America's decision-makers with the advantage of hindsight and with the concept of the national interest in their minds. The second process refers to the activities of vested interests vying for the state's attention, a bottom-up process rooted in the changing nature of the internal configurations of power and hegemony within the US. Needless to say, these two processes cannot be neatly separated since the activities of vested interests and the state interpenetrate and interact, with each trying to influence and take advantage of the other. But the two processes are conceptually distinct, so it is prudent to treat them as separate to gain a better grasp of the kind of intellectual and material input that went into NAFTA and into steering America's trade policies generally.

NAFTA began under the Bush presidency as an alternative to the failed Enterprise for the Americas Initiative (EAI), which was itself also part of a long line of liberalisation initiatives between Mexico, the US, and Canada begun under Reagan. Both the EAI and NAFTA envisioned a free trade area stretching over the whole Western Hemisphere, with NAFTA serving as a stepping stone for this long-term project. The backdrop to these initiatives was the growing reality of economic tripolarisation and hegemonic decline. There have been proposals for a free trade area of the Americas since the 1960s, while the creation of such a market has been one of the historic demands of Latin American states since the 19<sup>th</sup> century. In the past the US did not take up such proposals simply because it did not need to. Its main concern with Latin America during the Cold War was security related and any move towards economic regionalisation went against America's role as the guardian of free trade and protector of the multilateral system. It could also have reopened the possibility of Western Hemispheric isolationism, America's traditional



economic and political posture, or set in motion a wave of retaliation that could have spiralled into a full-fledged trade war. NAFTA thus represents a break with America's post-war norms as much as the assault on multilateralism at the Uruguay Round did, and much of that assault was rooted in the economic logic behind NAFTA.

NAFTA and the approach taken at the Uruguay Round were the products of a decision by Ronald Reagan to adopt a "three-track approach" to trade policy – multilateral, bilateral, and unilateral (Preeg, 1995, 333). Track two opened the door for regionalism, and track three (the most controversial) involved unilateral initiatives. Both track two and track three operated outside of the GATT, and so posed a threat to it if taken too far. This was a historic departure that cannot be over emphasised. It was in this context that the Bush administration came to see Latin America as the "part of the world where the US had a greater natural advantage than either of its main trading rivals", the EU, Japan and East Asia (Payne, 1995, 107). As Henry Kissinger put it, a "Western hemisphere-wide free trade system... would give the Americas a commanding role no matter what happens" with respect to the growing trend of economic regionalisation (Kissinger, quoted in Gordon, 1996, 73). Even the ultraliberal Reagan once described the US, Canada and Mexico as forming the "strongest, most prosperous and *self-sufficient* area on earth" (Reagan, 1979, quoted in Yoffie and Gomes-Casseras, 1994, 384; my italics). By adopting the agenda of constructing a Western hemispheric trade area the US is effectively telling the world that it "cares less about global exports than it used to, and that it would be satisfied instead to hunker down in its own backyard" (Gordon, 1996, 73). The intention, in short, was to create a regional market and investment climate large and stable enough for "firms to rationalize production on a regional basis to become more

competitive in a global market” (Hufbauer and Schott, 1993, 79). This would not only come from the larger economies of scale, but also because free trade agreements involve – by definition – ‘preferential’ tariff treatment (see Krugman and Obstfeld, 1997). NAFTA “benefits are accorded *only* to goods produced in the North American region, and *not* goods made wholly or in large part in other countries” (*Governments of the Canada, Mexico and the US, Description of the Proposed North American Free Trade Agreement*, August 12, 1992, quoted in Morici, 1993, 236; my italics).

Reducing barriers within a region also means leaving barriers that face goods originating from outside the region at the same level, thus discriminating between suppliers on a regional basis via the legal instrument of ‘rules of origin’. In the age of globalisation determining the origin of a good is extremely difficult because goods are often made up of parts that come from various countries. NAFTA has produced a massive legal bureaucracy designed to “manipulate rules of origin to discourage” certain imports, and use these rules as a component of “interventionist industrial” policies (Morici, 1993, 226). In this sense, NAFTA is an “integral part” of America’s “national competitiveness strategy, one that complements domestic economic reforms” (Hufbauer and Schott, 1993, 116). Its rules of origin most definitely “impose rules affording protection” to certain industries, representing the “contemporary American protectionist drift” (Morici, 1993, 226). Jagdish Bhagwati has accused NAFTA of being a protectionist arrangement “dressed up as a great free trade move” because of these measures (Bhagwati, quoted in Chomsky, 1994, 5). What all this suggests is that the logic behind US trade strategy is that, the US is willing to trade freely on a global basis, but only if it can trade unfreely on a regional basis.

Of particular interest to US decision-makers was NAFTA's utility in improving competitiveness with "Pacific Basin countries" specifically, since America's trade there is "greater than with its NAFTA partners" (Hufbauer and Schott, 1993, 116). The treaty includes "provisions expressly meant to deter East Asian trade and investment" through highly restrictive "content-requirements" that insist that goods be of "at least three-fifths" North American origin to receive duty free status (Orme, 1993, 182). This focus on East Asian competition, at the level of state strategy, is a product of the severity of the US trade deficit with these countries (see below). But it is also a product of the extensive lobbying efforts of a coalition of different industries that were involved in the formulation of NAFTA's proposals. As we said at the beginning of this subsection, NAFTA is not an exclusively state-led project. The issue of East Asian competition is an important instance of co-operation and agreement between decision-makers functioning on the basis of the national interest, and corporations functioning on the basis of their narrow interests. The recovery of the Japanese economy, and the growth of the East Asian tigers, pushed American firms out of the East Asian market and even challenged the previously dominant status of these firms in the American market. This had a significant impact on the already deteriorating status of free trade (see Chapter 1) within the ranks of corporate America, splitting the business component of the liberal-international coalition (historic bloc) into two main groupings, the 'multilateralists' (or anti-protectionists) and the 'regionalists' (see Ronald Cox, 1996). The multilateralists support regional trade arrangements, but only as a "short-term route to securing important export markets" (Ronald Cox, 1996, 111). Much like the Reagan, Bush and Clinton administrations, they were "frustrated with the slow progress of GATT" and saw NAFTA



and other such initiatives as ways of giving added impetus to GATT negotiations (Ronald Cox, 1996, 111). At several points in the GATT negotiations Bush and Clinton threatened that they would use NAFTA as an alternative to GATT if progress was not made (see Preeg, 1995, for details). Regionalists, in contrast, “support nontariff barriers” and regional arrangements aimed at giving them “greater leverage” in competition against Japan and Western Europe (Ronald Cox, 1996, 111). For them, NAFTA was a long-term initiative aimed at setting up “restrictive measures” that are “incompatible with the multilateralism of GATT” (Ronald Cox, 1996, 111). In other words, they see regional economic blocs as alternatives of a more ‘permanent’ nature to multilateralism.

The regionalists took this view of regional groupings because the competitiveness strategy they adopted involved relocating labour-intensive operations to the low-wage Third World in an effort to reduce costs. Latin America countries were of particular interest to the regionalist plans of these businesses because of the overwhelming advantage the US has in these areas. Their logic replicated that of George Bush and Henry Kissinger (see above). As one lobbyist bluntly stated, of “every dollar Latin America spends, 50 cents comes to the United States. There is nowhere else in the world where we enjoy that kind of advantage” (quoted in Payne, 1995, 107). Not only is labour there cheaper, it is closer geographically, and – more importantly – the US can exert itself there in a way it cannot in other regions of the Third World. The rules of interaction and compromise are completely different when the shift is made from a bilateral to a multilateral negotiating format. The US can ‘throw its weight around’ on the regional level, which it cannot do in GATT where “any advantages America[i.e. US business] gains... are equally doled out to rivals” (Bhagwati, quoted in Chomsky, 1994, 5).

According to Bhagwati, Mexico was forced to make “draconian concessions” on intellectual property protection because US multinationals were successful in “capturing the Congress” and convincing it to threaten Mexico with unilateral trade measures (Bhagwati, 1994, 20; see Panitch, 1994, and Rugmen and Gestrin, 1993, for further details).

The extent to which the NAFTA initiative was penetrated and dominated by such vested interests can be found in an article in *The New York Times* titled “In Twist, Protectionism Is Used to Sell Trade Pact.” This article described how these protectionist features had been “negotiated by the Bush administration *out of political necessity* to drum up corporate support” (Bradsher, quoted in Chomsky, 1994, 5; my italics). The Clinton administration continued in the footsteps of its predecessor and also “resorted to the odd tactic of selling a free-trade pact” to corporate America by “highlighting its protectionist provisions” (Bradsher, quoted in Chomsky, 1994, 5). William Orme has described NAFTA as a treaty whose ‘rules were written’ by Detroit, a product of the efforts of the Big Three auto-manufacturers – GM, Ford and Chrysler – to reorganise their networks across North America in response to Japanese competition (see Orme, 1993; see also Eden and Molot, 1993). To finish off this subsection we need to take our conclusions and place them in a neo-Gramscian framework. Not only did vested interests play a critical role in the historic changes made to US trade policy discussed above, they also helped initiate these changes as part of a larger ‘consensus building’ strategy aimed at changing the economic balance of power in the US. This strategy involved a considerable degree of political “leadership and moral suasion between more powerful... and less powerful... components” of what was left of America’s “historic bloc” (Stant,

1996, 107). In other words, NAFTA is – at least at the level of (some) vested interests – an example of the hegemonic activities of businessmen. The trade agenda developed by the US in the wake of the twin deficits was also strongly influenced by these vested, given that the regionalists advocated NAFTA as part of a “*mutual solution* to the problems of industrial restructuring and the debt crisis” (Ronald Cox, 1996, 114; my italics).

The Clinton presidency itself is a product of these activities, given that the “changing attitudes... of the private sector” over industrial policy and regionalism “played an important role in the 1992 presidential election” (Inman and Burton, Jr., 1994, 181). These interests gravitated towards the Democrat party by the time of the 1992 election because of its traditional interventionist positions. According to Chomsky, they supported Clinton specifically because his team “showed more awareness of these issues than their rivals” (Chomsky, 1997, 106). This got him “support from sectors of the corporate world that recognized them to be more attuned to real world problems than Reaganite ideologues” (Chomsky, 1997, 106). The twin deficits precipitated by Reagan’s policies “drew key financial sectors and firms back toward the Democrats”, while also leading to increasing educational and health care costs that set the “groundwork for middle-class unrest and increased corporate support for a centrist alternative” (Ronald Cox and Skidmore-Hess, 1999, 214). Clinton and the ‘New’ Democrats took on the board these anxieties and provided the ideological rationale for these vested interests. Both Clinton and the regionalists handled and presented NAFTA in the same way. Clinton used NAFTA to give economics a national security character. He re-articulated economic interest to function as a new unifying hegemonic ideology in the absence of a traditional



security threat. As for the vested interests involved, they also tried to sell NAFTA as something in America's 'national interest,' and not only their parochial interests. The Heritage Foundation described NAFTA as an instrument the US needs to "confront and, if necessary, economically defeat Japan" (Heritage Foundation, quoted in Orme, 1993, 190). There has even been talk of NAFTA being a "powerful weapon in a *new economic Cold War*" (Orme, 1993, 190; my italics). But this attempt to sell NAFTA as an issue of national security priority has no real rhetorical depth. The groups behind NAFTA, the 'regionalists,' are opposed to multilateral free trade, posing a major threat to the hegemonic post-war order. Mexico was forced through coercive techniques to sign up to all its conditions. A new historic bloc has not been created, as is evidenced by the existence of two business groups with different priorities and visions of economic relations. Ideological business conflict and a fractured trade agenda are still the norms.

Even NAFTA's ratification in America also took on a coercive character. US law "requires that the Labor Advisory Committee... based in the unions, must advise the executive branch on any trade agreement" (Chomsky, 1997, 164). Clinton did inform the Committee when his government expected their report, on September 9 "one day before" they were given the text of the treaty (Chomsky, 1997, 164; see also Panitch, 1994, and Parenti, 1995). This ensured that the unions did not have a chance to calculate the full effect of the treaty on the US economy, jobs and wages, and then inform the government of their recommendations, or alterations (if not outright rejection). The Committee says that the administration "refused to permit any outside advice on the development of this document and refused to make a draft available for comment" (Labour Advisory Committee, quoted in Chomsky, 1997, 164). From a hegemonic perspective this

represents an important break with history, given that the objective of meeting the demands of labour was one of the reasons why the US government shifted from a protectionist to a free trade posture. The fact that a Democrat president took this bold step, following his Republican predecessors, supports our claims as regards the relationship between the vested interest identified above, and the 'New' Democrat agenda. According to Martin Walker, the debate over NAFTA "opened a class fissure in America, between the elite who supported it and the populists, unions, and Democrats in Congress who feared it" (Walker, 1996, 294). Free trade, or freer trade, has been transformed from an instrument of consent into an instrument of coercion in the context of American domestic politics. The treaty itself was intended to undercut further the gains made by labour in the post-war era by breaking up its economic and political bases. The regionalist interests behind NAFTA, particularly the big three auto manufactures, not only intended to take full advantage of the lower wages in Mexico, but hoped also to use these lower wages to push down wages in the US market. NAFTA would facilitate what is known as 'whipsawing,' the aggressive strategy of "pitting plant against plant in a fierce battle for survival" (Heinzl, 1991, quoted in Kreklewitch, 1993, 266). This forces plants within the same corporation to compete with each other to "attract investment by offering the lowest wages and the least restrictive regulations", thus allowing corporations to justify wage reductions and layoffs through the "threat of moving production" (Faux and Lee, 1993, 243). Even supporters of NAFTA such as William Orme, admit that this process will create a 'two-tier' wage structure (see Orme, 1993). Unskilled US workers would be forced to compete with their Mexican counterparts, forcing their wages down and dividing the US labour market into well paid skilled and

badly paid unskilled labour. Moreover, NAFTA's investment provisions have left out "any provisions to guarantee corporate behaviour" for the benefit of the "community and social behaviour" (Kreklewitch, 1993, 263).

The point here is that NAFTA is an instance, a concrete example, of the changing configuration of power within the US and how this impacts on the performance of the American state and its policies. Also important in this regard is the fact that this configuration of power is not hegemonic, since there is no consensus in the capitalist class, and the resulting policies have taken a very coercive character. Just as the US has passed from a status of hegemony to domination, much of the internal class structure has also shifted from a situation of integral to minimal hegemony, with much of America's external coercion rooted in this internal dominance. The way it was ratified is consistent with our characterisation of Clinton as a cautious defender of the establishment. The hegemonic initiatives he has engaged in seem to be more in line with Gramsci's characterisation of minimal hegemony, where consent and hegemony became 'aspects' of a generally coercive order. Our discussion of NAFTA has also borne out what we said above about the role of economics in post-Cold War America. It also confirms the extent to which a coercive, anti-multilateral philosophy has taken over both those in politics and those in business. With that, we now turn to outline the changes that have occurred in the security sphere, and try to link these developments to what we have said above about economics.



## Section 2 – From Old World Order to New World

### Disorder: The Rhetoric and Reality of US Security Strategy

#### 2.1 – America’s Changing Security

##### Architecture: From Global Stability to Regional Contingency

At the doctrinal level globalism in the security sphere follows what is known as the ‘global stability doctrine’ (see Carpenter, 1992). The rationale for this strategy was developed out of three lessons gleaned from America’s inter-war experience. First, the US would “never know genuine” military and economic security “unless the rest of the world also became” peaceful and prosperous (Tonelson, 1991, 36). This principle represents the impossibility of ‘isolationism’ as conventionally understood. Second, international security is “indivisible” because war is “highly contagious and bound to spread around the world no matter where” it breaks out (Tonelson, 1991, 36). Third, such dangers can ‘only’ be eliminated when the US imposes the “norms of peaceful behaviour on all states”; hence, hegemony (Tonelson, 1991, 36). This logical chain of argumentation enshrined the global definition of America’s interests. It also rationalised global hegemony because it viewed “*any* conflict” as having the “potential” to lead to wars that will “eventually engulf” the US itself, thus equating the preservation of the “global status quo” with preserving the “preeminent status” of the US (Carpenter, 1992, 139; *my italics*). Internationalism takes the view that US foreign policy “should aim at

manipulating and shaping the *global environment as a whole* rather than at securing or protecting a finite number of assets within that environment” (Tonelson, 1991, 36; my italics). Such goals are known as ‘milieu goals’ (see Ruggie, 1996), globally conceived goals aimed at structuring the international environment along defined political and economic lines.

The pursuit of milieu goals – the global definition of interests – is at the very heart of globalism. As Dean Acheson aptly put it, the post-war/Cold War era gave America the opportunity to “grab hold of history and make it conform” (Acheson, quoted in Schwarz, 1996, 94). The power of these ideas on the foreign policy community must not be underestimated either. As Bruce Russett correctly put it, America’s entry into the Vietnam war was more than the product of the “bureaucratic inertia on Pennsylvania Avenue, economic interest on Wall Street, or anti-communist ideology on Main Street” (Russett, 1997, 8). Over and above these powerful motivating factors was a “broader kind of ideological underpinning... a particular kind of ‘realist’ view of international power politics that exaggerated both the necessity and the possibility of effectively exerting American military power” (Russett, 1997, 8). America’s global commitments and its way of conceptualising global security threats, and subsequent remedies, were just as responsible, and part of our task here is to see how this whole mode of thought has been affected by the end of the Cold War. It is America’s global definition of interests, and global milieu goals, that have come under the most severe strain with the end of the Cold War. The careers of both of America’s post-Cold War presidents have been marked by the breakdown of the global stability doctrine, with the major difference between these presidents being that Bush fought this collapse, while Clinton embraced it.

George Bush epitomised this establishment vision of grand strategy and fully advocated the Wilsonian core of internationalism under the mantle of the now infamous 'New World Order'. In one of his speeches – quoting Winston Churchill – he described it as an order based on the “principles of justice and fair play to protect the weak against the strong” where the UN could fulfil its historic vision (Churchill, quoted in Kegley and Wittkopf, 1996, 70). Needless to say, following the dictates of the global stability doctrine, this vision naturally implied American leadership of world affairs. The realist core of this initiative was to be found in the Pentagon’s 1992 ‘Defence Planning Guidance’ (DPG) draft report. It called for the US to “ ‘establish and protect a new order’ that accounts ‘sufficiently for the interests of the advanced industrial nations to discourage them from challenging our leadership’ ” (DPG, quoted in Ruggie, 1996, 162). It also called for “maintaining a military dominance capable of ‘detering potential competitors from even aspiring to a larger regional or global role’ ” (DPG, quoted in Ruggie, 1996, 162). In other words, it sought to summon the status quo ante. Bush’s New World Order project was really an attempt to keep the Cold War’s geopolitical structures intact, a rhetorical cover used to find a way of positioning the US as the “uniquely chosen guardian of this order” (Ó Tuathail, 1992, 449). The fate of this DPG document parallels the fate of the New World Order project, and much of US internationalism after the Cold War. It was leaked to *The New York Times*, leading to a wave of criticism extending from the press to Congress. It was even attacked by people within the Bush administration – who “felt obliged to describe it as ‘dumb,’ ” – and by “realist” academics (Ruggie, 1996, 162). Basing policy on the objective of eliminating ‘even’ others’ ‘aspirations’ was judged as a “recipe for American bankruptcy, not primacy” (Ruggie, 1996, 162).



The DPG document was a product of the euphoria of the success in the Gulf, a euphoria that diverted the Bush administration from a number of realities of which it had long been aware. Even before the Berlin Wall fell, Bush instigated a full-scale review of foreign policy which “acknowledged that, irrespective of events in Europe, the Reagan military build-up and the policy of reasserting American hegemony was unsustainable” (McGrew, 1994, 204). America’s entry into the Gulf War was decided by a knife-edge vote in Congress (in the Senate, 52 for and 47 against, in the House, 250 for and 183 against; figures taken from Ambrose, 1993, 391-392). To fight the war, the US had to “solicit financial” support from Germany, Japan and Saudi Arabia, and “political support from a coalition that did not fully share” its view of the war (Brzezinski, 1993, 99). The financial and political foundations of the overwhelming military success in the Gulf were very shaky and more a product of circumstances than conscious planning and control on the part of the US. It was such realities that led to the severe criticism of the draft proposals and prevented them from being endorsed by the Bush administration. With the realist core of his Wilsonian initiative gone the New World Order project lost its ability to plan and organise policy, while it also gradually fell out of favour with the political elites and was soon forgotten by the public. The final deathblow came in 1992 with Bush’s loss of the presidential race. The significance of Bush’s New World Order and the DPG document lies, ironically, in their rationality, given America’s post-war objectives. As Schwarz puts it, “given the way” US foreign policymakers have “defined” their country’s interests, these plans were “quite prudent” (Schwarz, 1996, 93). The objectives of the DPG report were identical to those of the ‘Grand Area’ project, since the report called for the US to “ensure ‘a *market-oriented* zone of peace and prosperity that

encompasses more than two-thirds of the world's economy' ” (DPG, quoted in Parenti, 1996, 37; italics in original).

This means that the New World Order was not 'new' at all, and it fell apart specifically because of this. It tried to achieve old ends with even older means, ones that were completely out of touch with the realities of the post-Cold War world. The imperialist urge was still there, it was just that the US could not figure out how to go about reasserting hegemony. This, in short, summarises the nature of the American dilemma; it is a question of means, not ends. The problem is essentially one of legitimising hegemonic action, how to construct a consistent ideological justification to initiate and carry through a hegemonic project. In terms of military strategy and the global structuring of security affairs, the US has been forced to plough back its global plans because of the end of the Cold War. America is primarily a naval and air power, which gives it the ability to project its military forces across the globe with no geographical impediment. The only impediments are political. US leaders need to convince countries to accept US forces on their lands, and they need to convince Congress and the US public of the need to send US forces there. The Soviet Union by contrast was a “massive land power directly abutting Western Europe and the northwestern Pacific”, and by extension Southeast Asia thanks to China (Gilpin, 1982, 183). From a political perspective this created problems for US leaders, because all of the areas in which the Soviet Union could exert itself militarily – the Cold War 'hot spots' – were areas it bordered, i.e. areas that did not span the globe.

The only reason that America's leaders were able to convince their allies and their own people of the need to project power globally was the ideological appeal of

communism. As we pointed out in Chapter 1, the Cold War conflict was not a normal military conflict tied down and determined by the realities of geography. Without the Soviet Union the US would have been forced into a strategy of exerting its hegemony on a regional basis. And this is exactly what has happened to the US with the collapse of the Soviet Union. Ironically, the Gulf War actually helped to downgrade this objective, because it made it evident that in the new era the real challenges to US power and international stability were going to be regional in character. This is where Clinton enters the picture, taking up where Bush left off. His defence strategy was summarised in his Bottom Up Review (BUR), published on 1 September 1993, which set out a regionally based strategy in toto. The BUR blueprint “employs a building-block approach to force sizing, with each building block designed to respond to a particular... contingency” (Berman and Goldman, 1996, 301). The “core” of Clinton’s strategy was “contingency response” focusing on “*reacting after* diplomacy and deterrence have failed” (Berman and Goldman, 1996, 301, 302; my italics). Most important of all was the fact that there was little concern for “shaping events” beforehand and “moulding the overall structure of international relations so that hypothetical threats are minimized” (Berman and Goldman, 1996, 301-302). In other words, the BUR document did not contain any security ‘milieu goals’ to speak of. This was a tacit admission that the US did not have the resources, the intellectual wherewithal, and the electoral base to order security relations in the world in a way that fitted its objectives. A more explicit admission was made by the Under Secretary of State Peter Tarnoff during the Clinton administration’s early involvement in Yugoslavia. He said that, despite America’s status as the world’s only remaining superpower, “we simply don’t have the leverage, we don’t have the influence, we don’t



have the inclination to use military force” (Tarnoff, quoted in Ruggie, 1996, 157). He even went on to say that “we certainly don’t have the money to bring to bear the kind of pressure that will produce positive results any time soon” (Tarnoff, quoted in Ruggie, 1996, 157).

Though Clinton followed Bush in the usage of the Wilsonian rhetoric of internationalism, he did not have a realist global vision lying behind it. His official policy was based on a shunning of unilateralism and an embrace of ‘assertive multilateralism’. He pledged to pay the money the US owed to the UN, increase UN resources, participate in more peacekeeping operations and co-operate more with the UN. He defended the UN against its critics in Congress, describing them as “isolationists” who “would eliminate any meaningful role for the United Nations” (Clinton, 1995, quoted in Kegley and Wittkopf, 1996, 541-542). In reality, Clinton did not pay the remaining portion of its quota, increase UN resources, or participate more fully in peacekeeping operations. This was not just because of the growing isolationist sentiment in America and budgetary pressures, but also because he saw the UN essentially as a device for ‘burden-sharing’. The roots of assertive multilateralism actually lie in a Clinton security strategy labelled ‘co-operative security,’ which carries the reactive approach further. Co-operative security would “ensure that conflicts remain within agreed-upon limits, and that the potential costs of conflicts are thereby reduced” (Brady, 1996, 75). This whole approach was designed to throw much of the burden on to the shoulders of the UN, leaving the US involved (steering affairs from afar), but at “substantially reduced costs” (Brady, 1996, 75). This, in turn, would allow Clinton to “refocus the national attention on domestic issues” (Brady, 1996, 77).

The classical example of the reactive, non-multilateral approach of the Clinton administration is the long, tortuous, and contradictory story of US involvement in the former Yugoslavia. American policy towards Yugoslavia is based on its historical experience in Vietnam. It is specifically the national experiences of wars and revolutions that “burden collective memory, and control national learning processes about the world” – often at both the elite and popular levels (Dijkink, 1996, 61). The Pentagon has codified such “relatively unimportant strategic locations” as “quagmires,” places that can resist the “governmentality of the hegemonic U.S. state” (Ó Tuathail, 1996, 189). Even America’s elites suffer from a Vietnam syndrome of sorts, given that they have lost their faith in America’s ability to run the world and organise whole populations according to its image of itself. With the end of the Cold War there is also a strong sense of “anxiety..., a certain post-Cold War culture of doubt and ebbing self-confidence” rooted in “declinism” (Ó Tuathail, 1996, 206). In this way much of the initiative behind assertive multilateralism and co-operative security was also rooted in declinism. Warren Christopher, the former US Secretary of State, clarified America’s exact position on multilateralism in relation to Bosnia. He said that “multilateralism is a means, not an end... it is warranted only when it serves the central purpose of American foreign policy: to protect American interests” (Christopher, quoted in Kegley and Wittkopf, 1996, 80). Given that American interests are no longer global, then the scope of multilateralism will not be global either.

Clinton has been able to preserve multilateralism, while at the very same time codifying a “proactive unilateral isolationism” of his own (Ó Tuathail, 1996, 218). When the US does decide to intervene, it does this inside the framework of US dominated organisations like NATO, and outside of less effective and more balanced organisations

like the UN. A good example of this, again, is Yugoslavia. The US simply had to intervene or else the ‘credibility’ of NATO and the US as the world’s only superpower would suffer considerably. This could have led to America’s European allies looking elsewhere for their security needs, forcing Europe to relapse into “power politics,” and its “normal condition as a geopolitical morass” (Layne and Schwartz, 1993, 10). In the case of the prospective new members of NATO, the Eastern European states (see below for further details), the US “could not convince” them, “or even convince itself, that it took their security seriously” without action in Yugoslavia (Sestanovich, 1997, 168). But when America did get involved, and with considerable military force in the case of Kosovo, it only waged war via air power. A ground war was out of the question, given the threat of massive casualties. This meant the US was still wedded to its initial military approach to Yugoslavia outlined in the “Powell Doctrine,” which advocated the use of “overwhelming force... to secure a quick and easy victory, *thus facilitating early withdrawal of U.S. troops*” (Ó Tuathail, 1996, 199; my italics). The significance of the whole Yugoslav debacle is that it demonstrates the sheer impact of the end of the Cold War and decline of America’s abilities, policies and priorities. The US, while still holding the mantle of global stability high – whether under the guise of New World Order, or assertive multilateralism – has effectively abandoned the military side of its globalist/hegemonic project.

There is one very important qualification that needs to be made here as regards Clinton’s deviation from the establishment view of grand strategy. Though the substance, and certainly the practice, of Clinton’s security strategy is regional, the rhetoric is global. ‘Assertive multilateralism’ and ‘democratic engagement’ serve the same function as



Bush's New World Order; maintaining internationalism, preventing isolationism, and keeping Cold War geopolitical structures intact. More importantly, they serve as a rhetorical cover for the maintenance of Cold War geopolitical spending levels. From early on in Clinton's presidency he made it clear that the US "must sustain the will and capabilities to meet aggression and other threats" (Director of the State Department policy planning unit, James Steinberg, quoted in Kegley and Wittkopf, 1996, 72). Despite the Wilsonian veneer, the new administration "also defended formulas tested by years of Cold War combat", including containment and deterrence, thus mixing "neo-Wilsonianism and the logic of *realpolitik*" (Kegley and Wittkopf, 1996, 72). Clinton also became embroiled in the 'hot issue' of arms exports as the electoral dynamic transformed arms exports into "just another jobs program" (Kelly and Nolan, Winter 1997-98, 116). As a Democrat, he was under even more pressure than Bush because of the enormous "economic interests, particularly in key states like California," which "depended on continued high military spending" (Bagby, 1999, 380). With his election the issue of proliferation, on which he campaigned, fell by the wayside and American officials were "instructed to consider 'the impact[of the sale] on U.S. industry and the defense industrial base' as a general criterion" for decision-making on arms exports (Policy on Conventional Arms Transfer, quoted in Kelly and Nolan, Winter 1997-98, 118).

According to Bacevich, both the Bush and Clinton administrations "agreed" that the US "must maintain a military establishment explicitly designed to dominate" (Bacevich, 1997, 18). This, of course, was part and parcel of the "de facto U.S. grand strategy" of "establishing a benign imperium conducive to American interests and values" (Bacevich, 1997, 20). Not only did this destroy the non-proliferation agenda (see

above), it also went against “principles long held to be integral to the American experiment” in democracy (Bacevich, 1997, 18). The US has no history of large peacetime armed forces, following the advice of George Washington (a General himself) to avoid “overgrown Military establishments... which are to be regarded as particularly hostile to Republican Liberty” (Washington, quoted in Bacevich, 1997, 18). This decision, therefore, represents a major junction in American history, a break with historical tradition that is the product of deep-seated changes within America itself. A very real “consensus of elite and popular opinion” has “abandoned that pattern”, believing that a “large military establishment and political liberty go ill together” (Bacevich, 1997, 18). The turning point in the post-Cold War era came with the Gulf War, which was a “moment of mastery” for a diverse set of “finance, oil, and military-industrial” interests (Ronald Cox and Skidmore-Hess, 1999, 204). The motivating forces are internal, dealing with the proper place of the military-industrial complex in the new era, and stemming mainly from the search for “new devices to justify the Pentagon system” (Chomsky, 1997, 69). This problem originated in the 1980s during the massive Reagan build-up, which exposed the considerable inefficiencies and corruption of the Pentagon system.

By the end of Reagan’s first administration both “industry executives and much of the American public” had come to associate the “\$800 toilet seat” rather than the “computer as the symbol of DOD’s contribution to civilian economy” (Inman and Burton, Jr., 1994, 178). Bush used increased arms sales as one way of keeping the Pentagon system intact. Bush also sent a report to Congress after the Cold War emphasising the “growing technological sophistication of Third World conflicts,” which

demanded that the US “must strengthen” its “defense industrial base” (quoted in Chomsky, 1997, 100, 70). Clinton has followed in his footsteps, outlining the priority of maintaining “technological superiority” in the BUR document (Kegley and Wittkopf, 1995, 415). Such motivations also help explain the persistence of the whole nuclear programme. The strategic priorities outlined in the bottom-up review actually “preserve deterrence as the cornerstone of a revised post-Cold War U.S. strategy” (Kegley and Wittkopf, 1995, 416). Although there have been many adjustments, they have been largely confined to tactics, and not the overall approach. One (anonymous) disarmament advocate commented that the “clay of history is beginning to harden again” (1994, quoted in Kegley and Wittkopf, 1996, 119). According to Chomsky too, both Bush and Clinton are using the nuclear programme as a policy umbrella for the continued funding of computer technology (see Chomsky, 1997). The nuclear programme is being treated like much of the defence agenda, a “very expensive job creation scheme for ‘smart Pentagon planners’ ” (Leslie Gelb, 1992, quoted in Michael Cox, 1995, 41). Ironically, the end of the Cold War has actually increased the wastefulness and inefficiency of the military-industrial complex, because the “performance of... weapons and... strategic considerations” are no longer the “determining factors” in the selection of weapons systems (Carpenter, 1992, 159). As we have seen, much of this attempt to find new justifications for the Pentagon system has spilled into the trade agenda at various points. The NAFTA intellectual property rights provisions mentioned above cover the technologies of the future, which includes biotechnology. The US has a major edge in the “biology-based” industries, and subsidisation and protection for these “industries cannot be easily hidden beneath a Pentagon cover” now that the Cold War is over (Chomsky,



1997, 106).

With this continuity between Clinton and Bush, and by extension the Cold War, it is safe to conclude that America's "broader objectives... since 1989 actually bear strong resemblance to those pursued before the end of the Cold War" (Michael Cox, 1995, 5). The main difference between the post-Cold War and Cold War eras is that most of the globalist core of the old objectives has disappeared. The main difference between Bush and Clinton is that Clinton succeeded where Bush failed. Clinton has been able to hit two birds with one stone by creating a compromise solution between the preservation of the globalist post-war order (through Wilsonian rhetoric), and isolationist and regionalist pulls (through limited military involvement). Bush tried to do this with his New World Order project, but he failed. Whether Clinton's initiative will continue to be successful and followed by other presidents has yet to be seen, but it has been successful and is a good example of effective US adaptation to post-Cold War realities.

## 2.2 – The Place of Transatlantic Relations in the New

### Era: European Security and the Growing Economic Agenda

We should approach the place of Europe in US post-Cold War planning under the mantle of what we asserted in Chapter 1, the fact that the greatest danger to America's plans did not come from the Soviet Union at all, but from America's own capitalist allies – Western Europe and Japan. It was because of this that the "unexpected collapse of the European Cold War order represented a setback as much as it did a triumph for" the US (Michael Cox, 1995, 71). Without the Soviet threat a move to a "genuinely multipolar

international system” – with Europe as its most important pole – could prevent the US from continuing to “enjoy its hegemonic status” (Carpenter, 1992, 140). Holding together the US alliance system thus became “crucial to smothering the ambitions of... potential rivals” in itself, even if we disregard the hegemonic project (Carpenter, 1992, 140). The US could only stop this multipolar dynamic if it could guarantee the security of its allies, monopolise that security structure, and continue to find convincing excuses to justify its role. In Europe the cornerstone of this strategy, past and present, is NATO. The overall American dilemma manifested itself in “both needing NATO and needing to find a post-Cold War role for it” (Michael Cox, 1995, 79).

With the end of the Cold War an equally powerful domestic threat has also emerged, the isolationist pull of American voters. Many Americans are descended from Europeans that fled the power politics and wars of the Old World. Economic decline is also a factor here since the US is less willing to foot the bill for the new security arrangements needed for Europe. Even George Bush, in a speech delivered in 1989, encouraged further European integration as a means of creating a “role for the EC as a magnet that draws the forces of reform forward in Eastern Europe”, i.e. as a means of burden-sharing (Bush, quoted in Stephen George, 1996, 84). He also removed 100,000 US troops from the NATO contingent, making it imperative on Europeans that they took up a larger share of the responsibility of defending themselves. Bush also exerted pressure on European capitals during the Maastricht negotiations to support the British inter-governmental Common Foreign and Security Policy proposal, instead of the Franco-German federal plan. This effectively prevented an independent European Security and Defence Identity (ESDI) with substance being developed. He also used the

“nuclear guarantee” in another effort to prevent the potential “renationalisation of defence policy” threatened by the federalist version of the EU (Wilton Park, 1992, 8).

But the initiatives taken by Bush were mainly negative, terminating alternatives to NATO but not developing a new strategy for NATO, because of the early termination of his presidency. The job of finding a new role for the US in Europe, of articulating a positive approach, was left to Clinton. He also followed on from where Bush left off, and specifically in relation to a central problem facing America in the post-Cold War world, namely, the declining importance of Europe to the world and to America relative to other regions. Since Bush’s removal of US troops European leaders have suspected that the US was now more concerned with employing its diplomatic resources in the Middle East (because of oil) and the Pacific Rim (because of its growing economic weight) (see Stephen George, 1996, and Michael Cox, 1995). Clinton’s behaviour early on in his presidency confirmed these suspicions. Clinton first visited Europe two years after he was elected in 1994, concentrating all his energies till then on relations with East Asia through APEC, and Latin America through NAFTA. He almost seemed to have an indifferent attitude towards the continent. His Secretary of State, Warren Christopher, made remarks in a speech at an APEC meeting in 1993 that infuriated the Europeans. He said that “ ‘Europe was no longer the dominant part of the world’, and that US policy hitherto had been far too ‘Eurocentric’ and from now on would be less so” (Christopher, quoted in Michael Cox, 1995, 75). Paradoxically, this event actually proves how important Europe has continued to be for America, relative to the new areas of interest. Since that speech the Clinton administration has “bent over backwards to reassure Europe that the Atlantic relationship was as strong as ever” through a long series of summits,



meetings, speeches and initiatives aimed at solidifying and renewing relations (Michael Cox, 1995, 75).

The most important initiative Clinton took, and the one that takes up the bulk of this summary account, is the project of NATO expansion. From 1994 onwards plans were drawn up and finalised for the entry into NATO of Poland, the Czech Republic and Hungary, and these countries have recently become NATO members. The justification for this move came in the form of attempts to ensure the political and economic stability of Central and Eastern Europe and their smooth entry into the democratic fold. The most important dimension of this move was the fact that it flew in the face of the position taken by the US, during both the Bush and Clinton presidencies, over the issue of expanding NATO eastwards. The idea of expansion had been rejected early on in order to facilitate the Soviet withdrawal, which would never have taken place if it had not been made “apparent that the West” was not “intent on exploiting any retreat by Moscow” (Harries, 1997-98, 4). This fact was “evident to all involved”, and if it had not been, the Soviet Union would have never have agreed to pull out and destroy the *cordon sanitaire* it had constructed in the aftermath of the Second World War (Harries, 1997-98, 4). The Soviet Union had the power to put down all the revolutions that took place in its ‘backyard’ and insist that its troops remain, but it chose not to do so, so that the Cold War could be ended once and for all. Moreover, the end of the Cold War “led US policy-makers to the conclusion that NATO should not be expanded” (Michael Cox, 2000, 2). The Americans were well aware that any move on their part that violated this ‘understanding’ could “weaken Gorbachev’s position at home” and renew the Cold War (Michael Cox, 2000, 2). The American plan for German reunification rested specifically

on this guarantee, while the collapse of the USSR itself removed the whole case for expansion (see Michael Cox, 1995, and Michael Cox, 2000).

Clinton himself had followed Bush's example and was more interested in domestic and foreign economic matters. When the issue of NATO expansion was discussed in earnest for the first time in 1994, the initial response came in the form of the 'Partnership for Peace,' which only established co-operation on various security issues, but extended no security guarantees to Eastern Europe. This move was made with Russian approval, and taken specifically so as not to anger and provoke the Russians (see Lundestad, 1998). Economic and political instability in this region was not seen as something calling for military expansion, and was not given a priority over that of maintaining good relations with Russia. But, as we know from Chapter 1, the purposes that NATO serves are not primarily military. They are also economic, and only rely on a military logic and justification to facilitate their achievement. The most important reason for expansion was provided by one of its chief advocates, Zbigniew Brzezinski. He argued that NATO "had a simple choice: either expand or become increasingly irrelevant, wither and then possibly die", thus ending US-European co-operation (Michael Cox, 1995, 80). Brzezinski's justification for expansion also represents the official position taken by the Clinton administration, with vice-president Al Gore saying that NATO "either must define a convincing new rationale, or become decrepit" and Clinton refusing to see "NATO frozen in the past" (Gore and Clinton, quoted in Michael Cox, 2000, 6, 8). As was made clear in the reference to Kunz in Chapter 1, every system needs a foil, an enemy, and preferably a permanent one if that system is to remain intact and operational. In short, a viable military threat had to be written up and constructed if the NATO



system, and all that it embodied, was to remain.

Despite Russia's radically reduced status, the realist doctrine was put to good use in the re-manufacturing of the Russian threat. Realists place "little or no importance to what is going on inside particular states" (Harries, 1997-98, 5). They take a unitary, monolithic view of the state and try to deduce from there what a state would do to fulfil its interests. They give ideology no role in determining what constitutes interests, and do not factor in the nature of the regime on how decisions are made. To the realists that dominate security planning in the US, "Russia is Russia is Russia, regardless of whether it is under czarist, communist or nascent democratic rule" (Harries, 1997-98, 5). These thinkers have detected a "new Russian assertiveness demonstrated in diplomatic, military, and economic interventions large and small around its periphery" – the near abroad (Posen and Ross, 1996-97, 37). In this view, Russia still constitutes a threat because it: "possesses tremendous inherent strategic reach, considerable material reserves; and the largest single homogenous ethnic-cultural population in Europe" (Posen and Ross, 1996-97, 37). There is even talk of a 'new containment' strategy with Brzezinski proposing that the US encircle Russia with an alliance made up of its own former republics (see Michael Cox, 1995). Even liberals share a similar concern about Russia returning to its old foreign policy if it returns to its totalitarian past. It was "uncertainty and disquiet about events in post-communist Russia that led US officials towards the idea of expansion" (Michael Cox, 1995, 80). By expanding NATO the US is, in effect, hedging its bets against what may happen in the future.

What particularly led to this widespread anxiety about Russia in 1994 was the collapse of Yugoslavia, which resurrected the 'domino theory' and much of traditional



Cold War thinking. In this framework Bosnia became a “metaphor for the chronic, historically ordained instability of a whole region” (Harries, 1997-98, 5). In strategic terms such instability could give Russia a window-of-opportunity to reassert itself in this region. At the political level the background to expansion was the “context of intense demoralization about the alliance’s purposes and effectiveness” (Sestanovich, 1997, 168). But the real aim behind this resurrection of the domino theory is economic, as evidenced by the rhetoric used to justify US involvement in Yugoslavia. One of the main advocates of NATO expansion, Republican Senator Richard Lugar made this point explicitly in a Senate Foreign Relations Committee meeting in 1992. He said that the US had to get involved in Yugoslavia or else the conflict would lead to spiralling violence in Europe, thus destabilising the European market. This would be devastating to the US, since it was trying “to base its *recovery* upon... *export potential*” (Lugar, quoted in Layne and Schwartz, 1993, 11; my italics). In 1992 Dick Cheney, Bush’s Defence Secretary, made a similar argument saying that the “worldwide market that we’re part of cannot thrive where regional violence, instability, and aggression put it in peril” (Cheney, quoted in Layne and Schwartz, 1993, 11). Again the dominant concern was the ‘renationalisation’ of security policy in Europe if America failed to make NATO live up to its expectations. One state department official used the words “ ‘Robust Open Door’ to define” US attitudes towards NATO expansion (Ronald Asmus, quoted in Michael Cox, 2000, 8). Layne and Schwarz also described NATO expansion as ‘Open Door Revisited,’ an example of how US foreign policy – even in the security sphere – is being driven by the country’s historic search for open markets and economic prosperity (see Layne and Schwarz, 1993). Some US planners and strategic thinkers have even tried to extend the

same logic across the world. They have argued that security guarantees should be extended as far as Central Asia (to stop instability spreading to Turkey and from there to Western Europe) and North Africa. These proposals are also being justified and articulated in terms “similar to the containment era’s domino theory” (Layne and Schwartz, 1993, 16).

This is not to downgrade the obvious geopolitical logic behind and military advantages garnered by NATO expansion. It does represent an “unprecedented projection of American power into a sensitive region hitherto beyond its reach”, forming a “veritable geopolitical revolution” (Harries, 1997-98, 4). In his latest book – *The Grand Chessboard* – Brzezinski “directly and honestly links American *primacy* to ‘*preponderance* on the Eurasian continent’ ” (Brzezinski, quoted in Harries, 1997-98, 4; my italics). To back up his views he quotes Halford Mackinder’s (one of the founding fathers of geopolitics) famous dictum: “Who rules East Europe commands the Heartland; Who rules the Heartland commands the World Island; Who rules the World Island commands the World” (Mackinder, quoted in Harries, 1997-98, 4). The Heartland is Russia, the geographical core of the European-Asian continent, while the World Island is Eurasia and Africa. Those captivated by America’s historic geopolitical vision and interests in this region – such as Brzezinski – have always been waiting for this opportunity to guarantee primacy, and sooner or later these players were going to push their agenda forward. The logic of spheres of influence has been turned on its head, giving the US the go ahead to “treat the entire globe as its sphere of influence, extending its presence and imposing its will as it sees fit” (Harries, 1997-98, 6). I will not pursue this line of analysis further because it bears on issues dealt with in Chapter 4, which goes



through the geopolitical content of post-Cold War foreign policy literature. This portion of my account was intended to highlight the fact that many in policy circles in America do take NATO expansion very seriously from a geopolitical perspective. But, at the same, many do not. The dominant characteristic of expansion is not geopolitical at all, but economic.

The economic imperative is so overpowering that it has determined the very *way* NATO has been expanded. NATO, as a hegemonic institutional structure, was aimed at fostering consent and co-operation by politically stabilising Western Europe and providing it with economic aid. This is not the case with the new entrants. From early on it was decided that the US “would not” extend the “large amounts of economic aid to those seeking to join NATO” (Michael Cox, 1995, 81). If anything, the US has been doing the exact opposite, namely, trying to squeeze money out of those joining NATO. American policy has exploited NATO expansion as a means of transforming Eastern Europe into the “latest arms bazaar” (Washburn, 1997, 34). Officials in State, Commerce, and the Pentagon have joined with “U.S. arms companies to deliver a blunt message: ‘Buy American---or your chances of joining NATO are slim’ ” (Washburn, 1997, 34). Our final task here involves conceptualising all of these developments in neo-Gramscian terms. The main reason why the US has been expanding NATO in this fashion is, in a word, decline. Given the declining economic power of the US, it has increasingly been practising a less consensual form of dominance since the 1970s. What this has led to in the context of transatlantic relations is a reformulation of NATO into a non-hegemonic institution. That is, the US no longer looks at NATO as an ideal model of how to run affairs in the rest of the world. It certainly is no longer a model for running global affairs



because globalism as a security doctrine has received a fatal blow with the collapse of communism. It is not even being pursued as a format for running affairs in regions important to the US. We can see this in its treatment of Eastern Europe, of how the very process of expansion is being run for economic benefit, with the US increasingly less willing and able to transcend its narrow, corporate interests.

What has also taken place is an opposite and parallel development of the US handling European affairs in a more consensual fashion. In this sense the European component of the Atlantic alliance is still following the “Geir Lundestad theorem” of “Empire by invitation”, while increasing the price of their compliance (Michael Cox, 2000, 10). Clinton has actually tried to be more “pro-European” than Bush and gave the European member states of NATO “more leeway in defining their own posture” (Lundestad, 1998, 118). In a speech given at the NATO Brussels meeting in January 1994 he pledged “full support” for the ESDI to “strengthen the European pillar of the Alliance”, with the proviso that it be “compatible” with NATO (Clinton, quoted in Lundestad, 1998, 119). He also decided to court Europe economically by not opposing the single currency initiative. According to journalist Martin Walker, Clinton told him that he was “very relaxed about European Monetary Union... and the euro” and believes that this new currency “will not challenge the primacy of the dollar as a reserve currency nor harm US interests” (Walker, 1997). What appears to have happened is that the US reached the “tentative conclusion” that, “despite the challenge” the euro produces, it “could stimulate growth and thereby also further American economic interests” (Lundestad, 1998, 124). Much of this stance also stems from America’s “declining ability and willingness... to act as the stabiliser of the international economy” since the 1970s,

which has “enhanced the role of the West Europeans” in stabilising the world economic system (Stephen George, 1996, 90). As we made clear before, co-operation can come out of weakness as much as it can develop out of strength. The US is willing to pay the price of greater European power, at the same time that it is not willing to pay the same price in the rest of the world, even East Asia (as we shall see below). Paradoxically, with other regions in the world becoming more important relative to Europe, the US has decided that it needs Europe even more than before.

### 2.3 – The Merging of Geo-Economics and Geopolitics:

#### Japan, East Asian Policy and the Big Emerging Markets

This section serves three functions. Firstly, it provides us with useful background material needed for the upcoming chapters, and particularly Chapter 5, which focuses on economic ideology and the role of Japan in geo-economic discourses. This also means that there are several issues we cannot deal with fully because they are dealt with more extensively below. Secondly, it carries forward the lines of analysis developed above in relation to the viability and popularity of globalism in US policy circles, as applied to the particular regions of the world in which the US has critical interests. What needs to be dealt with extensively here is the status of East Asia in American policy, relative to the importance of Europe and Latin America, as dealt with above. The sections on NAFTA and Europe above have demonstrated clearly that developments in East Asia have had a profound impact on US policy and priorities in these regions. Here we need to provide an account of how US policy in these regions has affected its East Asia policy. Finally, this



section addresses the relative weight of geopolitics and geo-economics in US post-Cold War foreign policy, based on the particular experience of US foreign policy in this critical region.

As was the case with the subject of transatlantic relations above, it is best to introduce the position East Asia holds in American post-Cold War policy under the mantle of 'dual containment' and the threat posed by America's own capitalist allies, in this case Japan. During the Cold War America's geopolitical goal was the prevention of "any hostile power from dominating the European and Asia-Pacific regions" of the Eurasian continent (Stuart and Tow, 1995, 7). Much as was the case in Europe, the US feared that a single power from within the region (such as China or Japan) or externally (the USSR) would dominate it and use its resources to tip the global balance of power in its favour. Moreover, just as America wished to become this regional hegemon in the case of Europe, it also hoped to be the regional hegemon in East Asia. But the similarity ends at this point. All of America's attempts to create an East Asian equivalent of the Atlantic alliance and NATO – such as the South East Asia Treaty Organisation (SEATO) – failed, robbing America of the ability to establish the institutional means needed to shape the region's destiny. A NATO-like institution became impossible because of the loss of China to communism, robbing the US of the opportunity to gain a geopolitical foothold on the Asian mainland. With no strategic 'bridgehead' the US was forced instead into an island-based security strategy of separate and disconnected bilateral defence arrangements. East Asia has thus been a part of the world far less under US control than other regions of the world, making US policy there far more risky and controversial.



American policy towards Japan was also very similar to its policy towards Germany, and based on the same strategic considerations. Just as the US rebuilt Germany to help revive the European economy, it rebuilt the Japanese economy to promote growth and prosperity in Asia and so fight off the appeal of communism. But, the significant differences between Europe and Asia again created severe difficulties for the US. Whereas Germany could be kept under control through NATO and other large Western European powers such as France, this was not the case with Japan in the Pacific Rim. Moreover, the economic map of Asia was completely different, with Japan being the only modern, industrialised capitalist economy in the region. To rebuild Japan and make the Asian economy grow the US had to transform much of the Pacific Rim into Japan's "economic semi-periphery and periphery", a regional economy centred around it, providing it with raw materials and markets (Schwarz, 1996, 96; see also LaFeber, 1997). In effect, this meant that the US had to resurrect Japan's "Empire toward the South" (George Kennan, quoted in Schwarz, 1996, 96). This was a risky policy, but it was assumed that the Soviet threat and the security treaties between Japan and the US would keep the country's growing economic power in check. But now the Cold War is over, which means that the US has lost the main instrument – alliance commitments – which it used to control the destiny of this region. Because of this, US policy in this region has suffered from a considerable degree of policy drift and conceptual confusion. The Bush administration set the basic parameters of US security strategy in this region, which consisted essentially of an effort aimed at 'damage control,' trying to maintain the US alliance system in the region, without providing a new justification or significantly modernising this system. The only significant "doctrinal reversal" made by the US

involved a switch from its traditional position of “unipolar dominance” of East Asian security affairs towards placing “greater emphasis on working with regional allies” (Stuart and Tow, 1995, 7). But this only really represented a cost reduction initiative, following the logic of “more of the same, for less”, a “regional balancer ‘on the cheap’ ” model of leadership (Stuart and Tow, 1995, 6, 11). This follows on logically from the ‘global hegemony on the cheap’ model pursued by America since the Nixon administration (see Chapter 1). Nixon actually did apply this model of global hegemony to East Asia this way, saying that the Asians should “help themselves more and rely on the United States less”, except at the level of US leadership and direction (LaFeber, 1994, 637).

More importantly, the Bush administration failed to make it clear exactly “*what it hoped to achieve in the Asian theatre*” (Stuart and Tow, 1995, 11; my italics). The US could neither mould a new consensus on policy with its allies or with its own public if it did not spell out its aims properly. The problem, as said above, is that the US knows basically what it wants to do (maintain preponderance), but it just cannot figure out how to achieve it. The Clinton administration has taken the same approach and decided to leave matters as they were. Secretary of State Warren Christopher explained that the US “did not require an ‘overarching theme’ to confront post-Cold War international security problems” (Stuart and Tow, 1995, 11). According to the Nye Report (1995), the US expected to maintain the “status quo... for yet another twenty years regardless of the disappearance” of Cold War threats (Johnson, 1998, 117). Chalmers Johnson and E. B. Keehn have described these plans as the “Pentagon’s Ossified Strategy” (Johnson and Keehn, 1995, 105). The security structure in this region has subsequently become highly



static and locked in the past. This has had a profound impact on the economic agenda because the US can no longer count on geopolitical instruments to control the economic dynamics that are transforming this region. The economic process America set in motion when it began rebuilding Japan became self-sustaining and created a number of economic challenges to America hegemony. For Clinton, East Asia represented a major threat to America's "economic security", with Japan "singled out" by both Bush and Clinton as the "most serious threat to US economic competitiveness" (Stuart and Tow, 1995, 25). Most of America's manufacturing deficit has lately been with East Asian countries. US relative economic decline has been most acute – at least in American eyes – here.

The Japanese 'threat' or 'problem' is of a distinctly peculiar nature that deserves special mention and analysis here. The trade deficit with Japan is a product of the peculiarities of the Japanese economy, a set of distinctive features that make it difficult to rectify. Given its geographic isolation and lack of resources, Japan developed an industrial base that was "heavily biased against imports and oriented towards exports"; and specifically biased against imports in goods it exported (Spero and Hart, 1995, 65). The problem is that Japan does not import those goods it is most competitive in exporting to the US. Because of this, the dislocation effects of the US trade deficit with Japan have been severe, particularly in auto manufacturing and the high-tech sectors. Moreover, the Japanese economy is so competitive and is structured in such an insular way that, even when open, it is highly impenetrable. Even with the reduction of trade barriers and the deregulation of the Japanese market, more US goods and investment have not flown in. This is why the central issue in trade negotiations between Japan and the US has not been trade at all, but the whole structure of industry, and by extension the state and society,



within Japan's borders. American policy is aimed at inducing Japan to "change its trade and investments patterns" (Ruggie, 1996, 128). America's Structural Impediments Initiative aims at just that, listing alleged unfair trade practices ranging from "domestic antimonopoly practices, retail distribution systems, infrastructure spending savings rates" to "workers rights" (Bhagwati, 1991, 20). The most notorious US trade law mandating unilateral actions – the 1988 Omnibus Trade Act – was drafted largely to give the US a weapon to open Japanese markets and force it to run its economy in a different way. The section of this act known as Super 301 was applied in 1995, when the Clinton administration threatened to put a 100% tariff on Japan's luxury car exports if it did not open up its markets more fully (see Bhagwati, 1996). Although the US eventually backed down, fearing that a trade war would develop and destroy the trading system, this example is still very important because it demonstrates how far the US is willing to go in the pursuit of its interests. The US is being pushed dangerously close to completely forgetting its hegemonic 'responsibilities' of maintaining order in international affairs, and going down the path of a self-interested neo-mercantilist state functioning on purely realist grounds.

As for the rest of East Asia, a similar pattern of reversal has characterised the transition of American policy from the Cold War to the post-Cold War eras. America's Cold War economic policies helped lead to what later became known as the East Asian 'economic miracle'. This lifted this region's percentage of world GNP from 4% in 1960 to 25% in 1991 (Michael Cox, 1995). As a result, East Asia's trade portfolio with the US underwent a "revolutionary change" as a consequence (Walker, 1996, 293). By 1992 the US "exported more (\$170 billion)" to Latin America and Asia, excluding Japan and

China, “than it did to Western Europe and Japan combined (\$160 billion)” (Walker, 1996, 293). By 1993 US trade with the Pacific Basin was “40 per cent *greater* than US trade with Europe”, its traditional market and trading partner (Michael Cox, 1995, 84-85; *my italics*). These titanic changes have created a number of problems for the US. The most immediate is the proliferation of the ‘Japan phenomenon,’ the threat of more countries becoming major competitors of the US, and through a different form of capitalism. The Asian miracle was a product of a development model that was based on both the interventionist Japanese model, and the deregulating, liberalising “Anglo-American model” (Higgott, 1998, 336). Because of this, a “contest of ideology” of sorts developed between the “Asian and Anglo-American ways of organising capitalist production” (Higgott, 1998, 349). A high ranking trade official in the Clinton administration, Jeffrey Garten, made this point explicitly when he said that America “must draw the line in the sand and counter ‘the demonstration effect Japan is having on the rest of Asia...[I]t’s already been made a model for China and other up-and-coming countries’ ” (Garten, quoted in Bello, 1997, 154). Even more threatening was the possibility of growing co-operation between the new East Asian tigers and the older Japanese nemesis, a process that could formalise and unify the ‘Asian model’. The economic successes experienced by the East Asian economies “sparked imitation” of the Japanese model as Asian countries began to “look East” rather than West for “economic inspiration” (Prestowitz, 1998, 84). Tokyo responded likewise and became “more assertive in promoting its own model of economic development in international institutions” (Armacost, 1996, 226). This would weaken US hegemony in the region, do further damage to US industry, and possibly even promote an alternative model of



capitalism globally. For many in the Third World Asian capitalism came to replace both “*socialism*” and the Anglo-American model as the “*new paradigm for development*” (Bello, 1997, 143; italics in original). The end of the Cold War and the collapse of communism merely shifted ideological competition from one arena (socialism versus capitalism) to another, with a new competitor (Asian capitalism) emerging as a viable alternative to the American mode of capitalism.

The tremendous economic opportunities offered by East Asia as a result of the economic miracle by itself created a very serious problem for America, namely, the issue of the focus of American relations and foreign policy. The fact that US trade with East Asia is now greater than its trade with Western Europe has led many to question the traditional Eurocentric focus of US foreign policy. The economic importance of Europe came under threat even before the end of the Cold War because of growing trade with and investment in Latin America, which culminated in NAFTA. Clinton himself gave every indication of wanting to move America away from its Eurocentric focus in his early years, as has been made clear above. But, at the same time, we have seen how the US has increasingly come to treat all non-European countries in a coercive manner. This is rooted in the paradoxical conclusion reached by American leaders that the declining importance of Europe has actually made Europe more important to America. It is this decision on the part of policymakers, in addition to the problems listed above, that has determined the content and direction of post-Cold War US policy in East Asia. The Clinton administration in particular tackled these dilemmas in tandem, finding solutions to both sets of problems with the same set of policies.

The starting point of Clinton’s East Asia policy was the Asia Pacific Economic



Co-operation (APEC) initiative, an initiative inherited from the Bush administration. APEC, it was hoped, would take the place of a NATO-like organisation in this region and create a 'Pacific Community' – modelled on the Atlantic community – where economic, political and security issues could be discussed and settled. APEC itself, though, was part of Clinton's overall economic strategy towards Third World markets, which was organised under the mantle of the 'Big Emerging Markets' (BEMs) project. BEMs are countries – China, Taiwan, Hong Kong, Indonesia, India, South Korea, Mexico, Brazil, Argentina, Poland, Turkey, South Africa – of major economic interest to the US because of their 'emerging' middle class markets. These were the growth areas of the future, demanding large influxes of capital and consumer goods that the US was well positioned to provide. Canada, Japan and Western Europe were either saturated with US goods or closed in key sectors to them. APEC would facilitate the BEM project in East Asia by renewing the initiative for liberalisation in this region and, in the future, by dragging, the rest of Asia with it in a liberalising spiral. Important in this respect was the role APEC played in side-tracking any purely Asian co-operative initiatives, such as the ASEAN Free Trade Area (AFTA), or – more importantly – the East Asian Economic Caucus (EAEC) proposed by Malaysian Prime Minister Mohammad Mahathir in 1991. A more limited Asian grouping might have been reluctant to fulfil such long-term goals in a way that benefited America significantly. In fact, the whole intention behind the EAEC proposal was specifically that, a regional trade bloc that would "include the ASEAN countries, China, Korea and Japan *but exclude* Australia, Canada, the United States, and the Latin American countries" (Bello, 1997, 151; my italics). APEC was intended to prevent East Asia from developing into such a closed economic region, off limits to

American influence and the exclusive preserve of Japan. Even during the Bush administration the EAEC was seen for what it was, an attempt to “split the Asian-Pacific region and divide Japan and the United States” (Secretary of State, James Baker, 1991, quoted in Bello, 1997, 151).

In Gramscian terminology the Clinton administration dealt with one set of problems through basically consensual techniques. At the centre of APEC was a body known as the “Eminent Persons’ Group” which consisted of “largely pro-free trade economists, technocrats and policy-makers” from APEC countries, under the leadership and tutelage of Dr. C. Fred Bergsten of the Washington-based Institute of International Economics (Bello, 1997, 150). The intention was to create a network of like-minded policymakers and policy advisers in East Asia to serve US interests, given that Bergsten was “widely known as an unabashed promoter of US economic interests via free trade” (Bello, 1997, 150). The broader ideological goal of APEC though went beyond furthering the case of free trade to the more critical issue of halting the advance and eventually dismantling the Asian model of capitalist development. As economist Kenneth Davidson puts it, the “unstated Anglo-Saxon assumption behind APEC” was the intention of the “Anglo-Saxon countries to persuade” the East Asian countries to play by “Anglo-Saxon rules” and so compete with the West on “neoclassical, laissez-faire” rules (Davidson, quoted in Bello, 1997, 154). In other words, APEC was intended to make these countries “*deny the cultural basis of their success*” (Davidson, quoted in Bello, 1997, 155; my italics). The Eminent Persons’ Group helped facilitate this goal by striking at the heart of the consensus that sustained the Asian model, the “powerful, persuasive, and ideologically hegemonic alliance of government technocrats, private interests, and



established intellectuals” in East Asia by substituting it with an alternative, American-led alliance (Bello, 1997, 143).

The larger issue of the focus of foreign policy was dealt with in a completely different manner. With the end of the Cold War America no longer needed to appease its ‘allies,’ simply because they were no longer needed as allies in a confrontation with a unifying enemy. The end of the Cold War has released America’s hand to vent its anger on its rivals in this region, and pursue a much more independent economic doctrine than it could in the past. Even APEC itself has become an instrument of coercion, as evidenced by the role it played in the 1997 East Asian financial crisis. Though the causes and details of the crisis do not interest us here, what is important to point out is that the catastrophe was largely the product of the IMF’s ‘remedies,’ which were determined by the US government. APEC backed the IMF initiatives, and backed America’s refusal to use remedies put forward by the EAEC members. The US strategy throughout the crisis was based on the objective of reversing the gains made by Japan and its interventionist model of capitalist development, and advancing the Anglo-American neo-liberal model in its place. US bailouts were made contingent on commitments for the liberalisation of these markets which, “by happy coincidence,” involve ceding control to “international financial institutions... in which the USA is dominant” (Higgott, 1998, 345, 344). These conditions have helped “force open East Asian economies”, allowing US firms to “achieve unprecedented market access”, taking the lions share of the profits, with the main losers being the Japanese (Higgott, 1998, 346-347). In the process America’s hegemonic responsibilities towards running the world economy were undermined severely. In short, the policies taken in response to the financial crisis can be seen as



*“undermining the legitimacy... of the IMF”, APEC, and American hegemony itself* (Higgott, 1998, 347-348; my italics).

The EAEC solutions, in contrast, were intended to slow down the liberalisation of East Asia’s financial markets and prop up the interventionist model. This means that the struggle between a Eurocentric and Asiacentric focus was resolved in the favour of Europe. While the US has appeased European plans for monetary union and taken a fairly positive view of Europe’s growing regional power, it has taken the opposite approach with East Asia, even with its East Asian allies. This is born out by the fact that one of the countries most badly hit by the financial crisis was South Korea, a country for which America was willing to go to war during the Cold War. The fact that the US took advantage of the financial crisis to weaken Japan’s influence in the region also bears this out. The growing relative importance of East Asia has generated a greater need for the US to mend bridges with its European allies. In layman’s terms, the US and its European partners need to ‘stick together’ if they are to face the Japanese (and by extension East Asian) challenge successfully. Not only is the economic relationship between them stable, the cultural foundations of the whole relationship are also very firm. Europe is already democratic, and its capitalism – though different – exhibits “relatively minor” differences “compared with those between the economies confronting one another across the Pacific” (Michael Cox, 1995, 83). Those critical of the ‘Pacific tilt’ of US trade policy have made this argument, claiming that “Asia is somehow too ‘different’ to do business with fairly or successfully” (Gordon, 1996, 75). This is in marked contrast, of course, to Europe. Instead of NAFTA or PAFTA they advocate an “economic parallel to NATO” between Europe and the US as the way forward (Prestowitz and Gaster, quoted in

Gordon, 1996, 75). This proves that Europe, as Clinton pointed out, *is* the senior economic partner of the US, *provided* that the US remains *its* senior partner.

With hindsight it becomes apparent that the way the US has treated East Asia closely resembles the way it has been treating Latin America since the initiation of plans for NAFTA. This similarity is something openly attested to by the policymakers themselves. President Clinton held the 1992 Asia-Pacific summit in Seattle at the same time that Congress was preparing to ratify NAFTA. He explained this decision by saying that he saw “no real gap between these events” since he not only wanted to extend NAFTA to Chile and Argentina (first), but also to East Asia to create a “New PAFTA (Pacific American Free Trade Area)” (Walker, 1996, 291, 293). This means that the set of objectives and economic strategy behind NAFTA, explicated above, apply equally to our analysis of America’s East Asia policy. As with Latin America, the US wants globalism (global free trade), but on its (regional) terms. The economic rationale used for expanding NAFTA southwards and eastwards conceals this objective. To justify expansion it was argued that the geographic proximity of South America and the Pacific Basin to the US made them ‘natural markets’ for the US (see Gordon, 1998). The exact meaning of this term is unclear given that it contradicts the position taken by the US government on globalisation, a process that has supposedly made geography obsolete. It also contradicts the openly stated position of the US government on the economic challenges faced by the US in these regions. Stuart E. Eizenstat, Under Secretary for Economic, Business and Agriculture Affairs, explicated this strategy quite clearly in a speech made to the congressional International Relations Subcommittee in 1997. He beseeched Congress to give the President fast-track authority or else the US would be forced to “stand back and



watch while Europe gains greater in our hemisphere at our expense” (Eizenstat, 1997). He supported this proposition statistically by saying that the EU's exports were growing at a *faster* rate to the main South American economic bloc, MERCOSUR, *than* America's exports were.

This is because South America, as distinguished from Central America and Mexico, has historically had strong economic links with Europe and Japan, and a long protectionist tradition that has kept American penetration under control. Plans to expand NAFTA were aimed specifically at rectifying this problem by reversing these trends. By extension, PAFTA, APEC, and the BEM project were also aimed at reversing these trends. All of America's BEM economies have “been slow-growing as customers of U.S. exports” (Gordon, 1998, 13). In 1996 the whole of Latin America (minus Mexico) only represented 9% of the US export market, with Argentina, Brazil and Chile only importing the same amount as “one small Asian or European country” (Gordon, 1996, 73). Even East Asia, America's largest trading partner, actually trades more with itself and the surrounding region than it does with the US (see Walker, 1996, and Bello, 1997)! These two regions, which are so central for American trade, are not under American economic control. Hence, the natural market argument which is aimed specifically at *making* them America's natural markets. The way the East Asian financial crisis was managed by the US is also a logical outgrowth of NAFTA, a connection acknowledged by many observers and analysts. According to former trade official Clyde Prestowitz, Jr., NAFTA's various investment and intellectual property rights provisions resemble the bailout conditions made by the IMF and APEC under America's insistence (see Harrison and Prestowitz, 1998a). Such NAFTA-like initiatives include provisions intended to halt



the “practice of guiding bank lending... break up cartels... privatize most-government owned corporations... initiate broad-scale deregulation... assure the freedom of labor to organize,” etc. (Harrison and Prestowitz, 1998a, 45). As was the case with Mexico, the US hopes to lock these countries permanently into its orbit through such provisions, and it is willing to do more or less anything to achieve this goal.

To finish off, we have to provide an account of the exact place of geopolitics in America’s strategy in this region, conceptualise it in Gramscian terms, and compare it to the conclusions reached above. Our account of American East Asia policy began with a comparison with Europe, and I complete this comparison here. The concept of Pacific Community, though modelled on the Atlantic Community, has no reciprocal substance, functioning only as a rhetorical cover for US domination. The role played by APEC in the financial crisis proves conclusively that power and ideas flow in one direction (from the US to East Asia) in this institutional forum. Whereas America’s NATO allies have had their interests incorporated into its plans, the interests of America’s allies in East Asia have not, with American interests increasingly being forced on them. APEC itself does not share the same status as NATO in American thinking, even though it was specifically designed to fill this institutional vacuum. This is because the absence of the Soviet threat could lead to a renationalisation of security policy, lead to political instability, an arms race, and possibly wars and revolutions, making it impossible to even contemplate extensive trade liberalisation. APEC has no real powers outside of the economic sphere. APEC itself needs a proper military alliance like NATO to establish the geopolitical foundations for a stable and open economic order. This is why the US gives a higher priority to maintaining the already existing alliance structure in this region. In the

Clinton administration's document *Security Strategy for the East Asia—Pacific Region*, 1995, it says that in “thinking about the Asia-Pacific region, *security comes first*” (*Security Strategy for the East Asia—Pacific Region*, quoted in Harrison and Prestowitz, 1998, 34; italics in original). This is in contrast to all the other regions in the world, where “economic, security and political interests have been treated as equal in importance” (Harrison and Prestowitz, 1998, 33). The document itself says that “nowhere” are these three “strands” of US “strategy more intertwined” or the “need for continued engagement more evident” (*Security Strategy for the East Asia—Pacific Region*, quoted in Harrison and Prestowitz, 1998, 33).

These realities have forced the Clinton administration to relearn the critical lessons America's leaders learned in the early years of the post-war era; namely, that orderly trade relations cannot be guaranteed without security and stability. This realisation has dislodged the Clinton administration from its initial geo-economic strategy, which saw economic power and economic policy as the only important variables in the new ‘Great Game’ of international power politics. In the post-Cold War order “geopolitics and geo-economics” have become “indistinguishable” (Walker, 1996, 306). But a important qualification needs to be made here about this merging of geopolitics and geo-economics. American Cold War policy was based on synthesising economics and geopolitics, it did *not* synthesise geo-economics and geopolitics. Economic policy during the Cold War was used as an instrument of consent, not coercion, as it is now. Moreover, the security agenda was always paramount, even if this meant that the US had to sacrifice its economic interests to maintain unity in the alliance. In the new era it is the security agenda that has been swept up in the economic onslaught. As was the case with NATO

expansion, security arrangements here are being reformulated for economic benefit. The US has used the “linkage” of economic and military security as a “means to acquire negotiating advantage in bilateral confrontations over trade” (Stuart and Tow, 1995, 25). The US has tried on more than one occasion to gain “access” to Japan’s “commercial technology in return for defense cooperation” (Armacost, 1996, 194). Geopolitics and geo-economics have only become indistinguishable in American foreign policy outside of the Atlantic alliance, with the Cold War balance between economic and security priorities persisting in the post-Cold War era in the case of Western Europe.



### **Section 3 – Conclusion:**

In the previous chapter we made it clear that the America that entered the post-Cold War era was not the same America that entered the post-Second World War era. It was not the same country either in terms of its ability to run a hegemonic world order, or in terms of its will to run such an order. We traced the causes of these changes to decline and globalisation. Here we have followed on from where we left off in Chapter 1 and dealt with how globalisation and decline have effected US economic and security policies. In terms of trade policy, the US has abandoned its traditional multilateral posture and opted for a more bilateral, unilateral focus. It has also become more regionally oriented in terms of its trade strategy. In the post-hegemonic era the US is trying to use what remains of its considerable power to force the world to conform to its narrow, vested interests. These changes have occurred in tandem with a profound reconfiguration of economic power within the US, a product of the dissolution of the previous hegemonic configuration of power that originally dominated the trade and economic agenda. Much of this is the natural result of decline, the need for protectionism with the declining ability of the US to compete on the global marketplace. Ironically, though, the process of internationalisation and economic integration has also encouraged such policy stances. Globalisation has increased the risks of competition, while also giving the US an unprecedented tool (market penetration) of economic diplomacy, or economic coercion to be more accurate.

This is where the move to the security sphere and America's geopolitical posture is best made. The growing prominence of the regional dimension of policy has also shifted the focus of security strategy from the global arena, as epitomised in the global stability doctrine, to the regional arena. Most of this is a product of the end of the Cold War, and has little to do with decline and globalisation. America's geopolitical status in the world can actually be said to have increased now that the Warsaw Pact and the Soviet Union no longer exist. But globalisation and decline have made themselves felt in this sphere too because of the declining importance of geopolitics and the growing economic agenda. The changes to security policy have been increasingly following an economic logic, and a logic that contradicts many of America's security priorities. The economic agenda has spilled over into the security agenda and transformed defence policy from an instrument of consent into an instrument of coercion. Just as the US has abandoned its hegemonic responsibilities in relation to free trade, it has also abandoned its responsibilities in relation to its alliance commitments. The relevance of these conclusions to the rest of this thesis lies in the mapping out of the internal configuration of power behind these major policy transformations, and how these new centres of power are dominating the very language of politics in America. Now the task is to carry through this analysis to its final conclusion by tracing these internal hegemonic developments and their ideational ramifications in Chapters 3, 4 and 5.

### **CHAPTER THREE –**

## **IDEAS AND INTERESTS IN THE MAKING OF US ‘GRAND STRATEGY’:**

### **INTELLECTUALLY ADAPTING AMERICA TO THE NEW ERA**

One should highlight the importance and significance... political parties have in the elaboration and diffusion of conceptions of the world... what they do, essentially, is to work out the ethics and politics corresponding to these conceptions ... they function almost as historical ‘laboratories’ of these conceptions.

Antonio Gramsci

(quoted in Femia, 1981, 130).



What is peculiar to the United States is that... we debate not the merits of this or that policy, but the existential purpose of... foreign policy itself. Such a debate would be almost unthinkable in most... countries, where foreign policy is deemed to serve national interests, which themselves are seen as timeless and immutable.

Former Deputy Secretary of State  
Lawrence Eagleburger

(quoted in Kegley and Wittkopff, 1996, 82).

The dogmas of the past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew. We must disenthrall ourselves, and then we shall save our country.

Abraham Lincoln

(quoted in White, 1997, 260).

## Introduction:

This chapter functions essentially as an extended introduction to Chapters 4 and 5, giving the intellectual background needed to place the post-Cold War intellectual produce in its appropriate context – historical, political, intellectual, ideological. Here we deal with the American dilemma at the popular level, that is, how the ideas of certain politicians and vested interests fit into the larger American scene. Chapter 3 also serves as an intermediary or ‘link’ chapter by which we can connect what we have said in Chapters 1 and 2, with the new material in Chapters 4 and 5, and by extension the conclusion in Chapter 6. We cannot understand how the various thinkers and groups of thinkers discussed at length in Chapters 4 and 5 relate to the larger intellectual picture in America – the new schools of thought, the specifics of the dilemma, the dominant concerns and themes of the policy debate – without doing this first. It provides the intellectual foreground, a picture of the American ideational landscape, that we will then analyse and categorise in Gramscian terms in the rest of this thesis, though I carry out some of this task here, to simplify the process.

**Section 1 – From the National Interest to National Identity: The  
Specifics of the American Dilemma and the Nature of the Foreign Policy Debate**

**1.1 – Framing the Context of the Foreign Policy Debate: The Crisis  
of National Identity and the Existential Dimension of the US Dilemma**

Though containing communism was never America's top priority, the Soviet 'threat' was still central because it served a number of functions in the context of US policymaking, all of which became operational because of certain distinct features of the US body politic and collective psyche. America cannot be mobilised intellectually, institutionally or ideologically in the "pursuit of an objective if there is no adversary or enemy to combat in the attainment of that objective" (Frye and Leyton-Brown, 1992-93, 28). The national interest by itself does not suffice. The fact that the nation has decided on internationalism and Wilsonianism as something in the best interest of America and the world is not enough in and of itself unless there is also an enemy present to place obstacles in the path of the pursuit of this objective. Anything short of the "equivalent of war lacks that same mobilizing potential", the ability to 'generate' the appropriate "degree of national energy and effectiveness" (Frye and Leyton-Brown, 1992-93, 28).

American statesmen and officials are well aware of this, the predicament of how to invoke an 'existential' definition of what constitutes the national interest – see the Eagleburger quote above – to drive the country behind certain policies. In a country like America there is an integral, organic link between the process by which



the 'national interest' is determined, and the process by which the 'national identity' is constituted. The statements made by another important former official – Henry Nau, from the Reagan administration – provide a more explicit account of how these two concepts interrelate in the American context. He says that national security “does not originate in military power or economic competition” since it is also “about defining what it is that is being secured” (Nau, 1994, 521). Nau goes on to say that national security really “originates in how a society conceives of itself” – in other words, its national identity (Nau, 1994, 521). This is quite a broad concept that subsumes “ideology, political history, culture, and experience” and is “rooted in societies’ understanding of themselves and of what they represent in the world” (Le Prestre, 1997, 9). Samuel Huntington, a very active participant in the post-Cold War debate, as we shall see, has made this point even more explicitly. He states that:

Efforts to define national interest presuppose agreement on the nature of the country whose interests are to be defined. National interest derives from national identity. We have to know who we are before we can know what our interests are.

(Huntington, 1997a, 28).

The importance of the national identity to the determination of the national interest in America is a consequence of its nature as a “founded society”, the fact that it is *not* a “nation-state in the classical sense of the term” (Huntington, 1989, 239; Huntington, 1997a, 35). It is, in political terminology, an *ideological-state*. Its sense of national identity is not rooted in history or ethnicity, given its short history and the multiethnic origins of its population. The American collective ‘we’ is premised on a set of political values set out in the Declaration of Independence – what Gunnar Myrdal called the ‘American Creed’ – and has thus been determined ideologically.

America is an “imagined community *par excellence*” since it has no natural “basis in either land or people” (Ruggie, 1997, 110). In Richard Hofstadter’s famous phrase, “it has been our fate as a nation not to have ideologies but to be one” (Hofstadter, quoted in White, 1997, 11). For Americans, identity and ideology are one and the same thing, transforming any ideological threat to America’s core principles automatically into a threat to the “very essence of the nation itself” (White, 1997, 11). This is why *fear* is an *especially* “animating emotion” in America (White, 1997, 6). Hofstadter labelled this the ‘paranoid style’ in American politics, the most blatant example of which was McCarthyism (see Holland, 1991). This is why America’s hatred of the Soviet Union was a total one that affected all aspects of American life, public and private, foreign and domestic, collective and individual, left and right.

Cold War imagery and themes pervaded the whole popular entertainment scene in the US and shaped how Americans saw the outside world and reacted to events abroad. Americans found in the Soviet Union their country’s ideological antithesis, its political ‘other’. It fulfilled their desire for a “higher purpose both in the private and in the political domain” and appealed directly to their sense of exceptionalism, confirming America’s “special status in the world” (Dittgen, 1996, 255). America’s ideological identity also gave US politicians the ability to use the “exaggerated appearance”, as opposed to the “substantial reality”, of the Soviet threat as the true “political engine for American internationalism” (I. M. Destler, quoted in Robert Johnson, 1997, 33). With the end of the Cold War this ‘political engine’ no longer exists, leaving internationalism with no driving force at the popular level. Even at the elite level, ideational and institutional factors stand in the way of the maintenance of internationalism. A former Bush official, Richard Haass, has described the intellectual environment policymakers face today as “Paradigm Lost”



(see Haass, 1995). A paradigm is a “simplified map of reality, some theory, concept, model,” that performs the cognitive task of defining the “nature of the situation facing the policymaker” (Huntington, 1998, 29; Rosati, 1995, 60). Paradigms are thus conceptual pictures that inform the viewer of *how* the world works.

The making of policy presupposes clarity “about ends---America’s purposes and priorities---as well as about means---America’s relationship with and approach to the world” (Haass, 1995, 45). This cannot be done without some knowledge of how things happen internationally. Without such intellectual constructs the policymaker is faced with “a bloomin’ buzzin confusion” (William James, quoted in Huntington, 1998, 29). And this is exactly what has come about with the collapse of the Soviet Union: “Washington no longer has a clear scenario of cause and effect” (Berkowitz, 1997, 300). The national interest itself is a ‘ideational construct,’ the product of a paradigmatic process of abstraction and evaluation of a country’s position in the world, relating its interests to how the world works. Interests, even in a *realpolitik* mode of thought, “have meaning and can be ranked, *only* within an overall frame of reference” (Ruggie, 1996, 169). The present day conceptual confusion is partly behind what Huntington has called “The Erosion of American National Interests” (Huntington, 1997a, 28). Henry Kissinger has also given voice to this sense of confusion in his statement that “never before have the components of world order, their capacity to interact and their goals all changed quite so rapidly, so deeply, or so globally” (Kissinger, quoted in Harkavy, 1997, 569). Another stalwart of US foreign policy, Zbigniew Brzezinski, has expressed similar views, saying that history has “not ended... but has become compressed. Whereas in the past, historical epochs stood in the relatively sharp relief, and one could thus have a defined sense of historical progression, history today entails sharp discontinuities that collide with each other,



condense our sense of perspective, and confuse our historical perceptions” (Brzezinski, 1993, quoted in Ó Tuathail, 1996, 226). The *New Perspectives Quarterly* has similarly described the contemporary era as one characterised by a “condition of *geopolitical vertigo*” (Ó Tuathail, 1996, 226).

It is “no accident”, then, that the current era has no “distinctive name” and is instead referred to as the ‘post’-Cold War era, a period defined by the “absence” of what “defined” the previous era, while placing nothing in its place – even linguistically (Schirmerman, 1997, 7). The absence of the containment paradigm has left an intellectual void, leaving policymakers at a loss as to the defining and dominant features of the current state of international affairs. The US has now entered a world where “allies and enemies can no longer be defined by their status in the Cold War, and military objectives can no longer be reduced to the containment of communism while avoiding nuclear conflict” (Berman and Goldman, 1996, 294). This is not to discount the role of ideology in this intellectual exercise, of course. The Cold War paradigm of containment *made* the world highly predictable; the nature of threats was known, and the methods for dealing with them were well established. Paradigms have to be convincing to be adopted, so much so, in fact, that a paradigm need *not* be accurate, but *only* convincing. As Patrick Morgan once commented, mankind has a “pressing need to explain the world; it has *no* need to see it explained correctly” (Morgan, quoted in Robert Johnson, 1997, 17; my italics). Or, as Berkowitz puts it, containment “at least had a great story line” providing both “commandments for behaviour and the promise of ultimate salvation” (Berkowitz, 1997, 300).

Threats today are significantly smaller and more diffuse, making it difficult for Americans to agree over the nature of new threats, or even deciding which of the many possible threats is or might be the paramount one. They only engender the

prospect of a “ ‘war’ against an abstraction” and not a concrete, easily “identifiable” territorial enemy (Frye and Leyton-Brown, 1992-93, 28). The inability to focus on any one issue has left the policy scene open to everyone and to all ideas. How open it is can be demonstrated by reference to Berkowitz’s citation of “New Age Strategists” who propose that “global environmental degradation” is a “national security threat” (Berkowitz, 1997, 300)! He does not cite this example in jest, but to make a valid point – “barring a better traditional candidate, it is hard to argue with them” (Berkowitz, 1997, 300). Most important of all is the fact that “most Americans do not think the country needs” a foreign strategy (Berkowitz, 1997, 300). America’s politicians “know their customers. If Americans had wanted security policy, the politicians would have served them security policy” (Berkowitz, 1997, 300). In a poll taken in 1992 Americans were asked: “Should the United States be the world’s policeman?”, and 75 percent answered “No” (Brilmayer, 1994, 2). The popular conception of the role of the presidency has also changed significantly. In one poll about the presidency only a “mere *1 percent*” of voters cited foreign policy as important in their choice (White, 1997, 202; my italics). As one voter put it, with no Cold War “we don’t need a world leader” (White, 1997, 202). In sum, without the Soviet threat America effectively “lacks a national strategy” (Berkowitz, 1997, 300).

The US is also facing a myriad of different problems at the institutional level. The US has an “inherently fragile” governmental structure, a product of the “separation of powers” between the executive and legislature, with no clear guidelines as to jurisdiction *between* these branches, and even *within* these branches (Cerny, 1993a, 171). The legislative by itself consists of a “diverse and loosely structured body of 535 individuals with weak party loyalty” (Joseph Nye, quoted in Robert Johnson, 1997, 33). One of the consequences of this is that the US has a “large and



relatively dispersed political elite”, making it difficult for presidents to fashion the kind of “elite consensus” needed to get policies and agendas across (Robert Johnson, 1997, 32). The day-to-day process of policy development and advocacy is based on ‘blocs,’ unstable coalitions of interests that are in a constant state of flux (see Ronald Cox and Skidmore-Hess, 1999). The US government “does not speak with one voice” (Frye and Leyton-Brown, 1992-93, 29). Inertia is the normal state of this “multipolar, competitive system” (Cerny, 1994, 427). Much of the chaos in foreign policymaking that has developed out of the end of Cold War is a direct result of these forces of inertia reasserting themselves. Clinton himself has lamented the passing of the Cold War, explaining that, in the past, “You tell [Congress] that they’re helping no one but Brezhnev by their stubbornness, and they cave in fast” (Clinton, quoted in White, 1997, 256).

Both the 1992 presidential and 1994 congressional elections reflect an “important shift in the electorate’s view of America’s real priorities” (Michael Cox, 1995, 12). Public opinion has collapsed in on itself, becoming largely uninterested in foreign affairs, increasingly “volatile and given to the pursuit of multiple and changing objectives, frequently in conflict with one another” (Schlesinger, 1997, 4). Because of this columnist George Will concluded that “peace is going to be hell for presidents” – a fact to which Clinton’s statements attest (Will, quoted in White, 1997, 258). With no external threat policymakers have “found themselves having to follow public opinion, instead of being able to shape it” (Michael Cox, 1995, 12, 12-13). Clinton himself has “chosen to follow rather than to lead”, not attaching himself “firmly to particular policies or positions” (Berman and Goldman, 1996, 298; Wilson, 1996, 220). The age of basing foreign policy on ‘Doctrines’ seems to be receding into the past as politicians have become less strategic in outlook and have increasingly



come to treat foreign policy as an instrument to build domestic support. Foreign policy has thus become 'domesticised'. The "*parochial*" interests of "ethnic agendas" and business interests have been "legitimized" with the end of the Cold War (Schlesinger, 1997, 6; my italics). The end result of this process is that, at any one point in time, foreign policy now consists of the "accumulation" (a disconnected aggregate) of "disparate goals", leading to a policy that "consists largely of the stapling together of the objectives of these individual constituencies" (Schlesinger, 1997, 5, 4). US foreign policy "exhibits a kind of 'disjointed incrementalism' " (Haass, quoted in McGrew, 1994, 224). It is disjointed because it no longer has a vision or project to guide it, and incremental because it has adapted to the new world through a "cautious process of marginal adjustments to existing programmes" – a strategy of "muddling through" (McGrew, 1994, 224). Lawrence Eagleburger has coined the phrase 'pasted together diplomacy' to describe this new pattern of foreign policymaking (see Clarke, 1993).

In effect, there is no longer any real pursuit of 'grand strategy' to speak of. This has very serious implications from a neo-Gramscian perspective, given that the essence of hegemonic rule is that the hegemon transcends its narrow interests and initiates policies that benefit all, if disproportionately. The ability to plan ahead and transcend parochial interests, whether sectoral or national, is at the heart of the Gramscian understanding of 'strategy' (see Gill, 1990). In the case of post-Cold War America, the country is neither pursuing policies in the best interest of the world order it created, or pursuing policies in the best interest of itself as a collective unit. With the end of the Cold War the "commonly accepted vision of the *national interest*" has collapsed, *without* a new conception coming to replace it (Schlesinger, 1997, 4; my italics). On the contrary, the idea of a "national interest in the abstract" has fallen out

of favour, with talk of it inviting “rebuke” (Schlesinger, 1997, 6). The effects of the collapse of the American establishment have only become more pronounced with the end of the Cold War, given that the remaining factor that unified America’s elites – the Soviet Union – no longer exists. This loss of strategic focus at the level of elites is partly a product of the peculiarities of the American political structure, but it is also a product of the effect the collapse of the Soviet threat has had on American identity, which I deal with below.

## 1.2 – Identity Politics and the American

### Dilemma: Revisionism and the Balance of Political Power

Much of this collapse in the mere notion of the national interest is a product of post-Cold War developments in America’s national identity. America can be said to be going through an ‘identity crisis’. Huntington talks of the “disintegration” of America’s “identity” (Huntington, 1997a, 29, 28). He reasons that this loss of a “sure sense of national identity” is one of the reasons behind the “intense, wide-ranging, and confused” debate that political elites have engaged in since the collapse of communism (Huntington, 1997a, 29, 28). Despite the fear that the Soviet Union engendered in the American mind, paradoxically, this self-same obsession led to Americans becoming ‘comfortable’ with the Cold War. Their success in the Cold War has “meant that the driving sense of purpose that... pervaded American society and politics.... has gone, leaving a vacuum and uncertainty in its place” (Norman Ornstein, 1992, quoted in Dittgen, 1996, 255). Or, as the hero of John Updike’s novels put it: “Without the cold war, what’s the *point* of being an American?” (Updike, quoted in Huntington, 1997a, 29; my italics). For America at large, and for its policymakers and



intellectuals, determining what America 'is,' is the logical prerequisite for determining what its interests are, and therefore what objectives it should pursue in its foreign policy. John Kenneth White, in his exhaustive account of American post-Cold War party politics – *Still Seeing Red*, begins the introduction of the book with the question “Who Are We?” (White, 1997, 1).

This identity crisis has manifested itself in several different ways, and often in crucial arenas of American political power. One of the most important consequences of this crisis is the effect it has had on the institutional set-up. This goes beyond the institutional problems discussed above, given that national identity has a particularly powerful role to play in relation to the proper running of the American state. As Nau, again, makes clear, national security is also about how a country “organizes its political institutions to guide the acquisition and use of economic and military power” (Nau, 1994, 521). In fact, national security in many ways is “about domestic politics, long before it is about how to secure domestic politics from foreign threats” (Nau, 1994, 521). These issues have been raised in the form of the debate over the proper ‘peacetime’ roles of Congress and the President, and the larger issue of ‘normalcy’. As historian Arthur Schlesinger, Jr. put it, the Cold War “distorted our politics, and foreign policy became the obsessive concern of our presidents, and that is going to return to normal now” (Schlesinger, Jr., quoted in White, 1997, 257).

As we pointed out in Chapter 2, the US has historically shunned foreign responsibilities and alliances because of their negative internal consequences. Foreign policy, particularly defence policy, was seen as something that would tip the constitutional balance of power in the favour of unelected, centralised bureaucracies. The whole issue of normalcy was first raised after the First World War by Warren G. Harding, a prominent isolationist. Schlesinger, Jr. is a staunch internationalist and



critic of isolationism. The fact that he, of all people, is using “language reminiscent of the 1920s” shows how pervasive this existential angst is (White, 1997, 257). The conflicts between the President and Congress also represent a conflict over different definitions of ‘what’ is normal, a contest between alternative visions of how America itself should be run. Much presidential power during the Cold War never had solid constitutional foundations, and with the collapse of the external imperative these loopholes are gradually being tightened and closed. The Republican ‘Contract with America’ represented just such an attempt at closing foreign policy loopholes, and “constituted one of the most direct attempts by Congress... to wrest control... away from the executive” (Michael Cox, 1995, 14). Congress has sought to return gradually to its traditional peacetime role where the President is “in effect” the “governor of the United States—leading, but responsive to, legislative assertions of authority” (White, 1997, 258). Clinton himself acknowledged this fact, saying that: “We are debating things now we thought were settled for decades. We are back to fundamental issues that were debated like this fifty, sixty, seventy years ago” (Clinton, quoted in White, 1997, 259).

The ‘Congressional supremacy’ of the past was seen as a guarantee against executive excess and the over-centralisation of power at the federal level. With the end of the Cold War the federal government has “lost much of its *raison d’être*”, giving many the opportunity to attack both the office of the presidency *and* the federal executive as a whole (White, 1997, 204). Domestic and foreign politics have always been connected, it is just that the end of the Cold War has “lifted the veil that obscured” this “inter-relationship” (Nau, 1994, 521). The way policy is made in America is not a mere technical, pragmatic matter, but an issue that bears on the ideological concerns of the American people, the identity of their nation and how they

conceptualise the outside world. The broad contours of the foreign policy debate in America have been framed in existential terms, and an important part of this existential matrix is the relationship between the foreign and domestic, and how the constitution mediates between the two. The particular way Americans have decided to deal with this problem in the new era is also rooted in the dynamics of American identity. In such circumstances of doubt and uncertainty people turn to “cultural beliefs and values” as “mental antidotes... sources of sociopolitical meaning and... guides to political action” (Gaenslen, 1996, 268).

Americans have therefore reverted to their history to find the appropriate ideational material to answer these pressing questions of identity and role. This reaction is “instinctively American... rooted in the culture of exceptionalism which compels political leaders and elites to justify foreign policy transitions in the higher language of moral codes and the Republic’s eternal political principles” (McGrew, 1994, 225). The views that have formed have been the product of “revisiting the intellectual traditions which have guided American diplomacy” in the past (McGrew, 1994, 225). US policymakers do not operate in an intellectual vacuum but are grounded in “powerful historical narratives” and diplomatic traditions (McGrew, 1994, 225). The question of America’s identity has taken a historical form, with much of the debate grounded in various interpretations of history and the usage of historical analogies. The historical debate has covered all the formative turning points of American foreign policy, and precipitated a wide-ranging, emotive and very detailed introspection and re-evaluation of all the mainstays of America’s foreign posture. The historical timeframe used encompasses the *whole* of American history, but focuses essentially on the most critical part of the history of American foreign policy, the inter-war period.



It was the debates in this period that set the scene for most of what became America's post-war foreign policy of international engagement and globalism. This historicised debate goes to the very core of – as Eagleburger said above – the whole *purpose and nature* of US foreign policy itself. These debates have also reopened the historic dilemma of American globalist foreign policy, “how to interest an increasingly powerful but reluctant America---Congress and public alike---” behind the “mission” of constructing a “stable international order,” which also serves American strategic interests (Ruggie, 1997, 90). It was also in this period that a set of compromises were made between Congress and the presidency, between the federal and state authorities, and between domestic and foreign priorities. To finish off this section we must complete what we began above, and provide an account of America's identity *and* how it feeds into globalism and its foreign policy generally. This is not just an exercise in historiography, as much as this is needed in itself. It also represents an attempt to provide an account of how those participating in the foreign policy debate see their own country and its history. As such, I refer mainly to the writings of active observers and major participants in the debate.

### 1.3 – The Dialectics of American Foreign Policy and Identity: The Establishment's Image of America and the World

What ‘America’ represents to Americans is aptly summarised by the words found on the back of every dollar bill: “*Novus Ordo Seclorum... New Order of Centuries*” (Trofimenko, 1997, 44). Americans see their Republic as a new order of things, as a political, cultural and legal entity completely unlike any other in history. America's war of ‘independence’ was really a revolt against the particular *way* Britain



ran the affairs of its colonies. It was not a traditional national war of independence, given that Americans themselves are immigrants, many of whom are of British origin. Just as America is an ideological-state, so its war of independence was an ideologically motivated war. The particular aspect of British politics Americans abhorred was the *centralisation* of power. The very “essence” of the American creed is “opposition to power and... concentrated authority” (Huntington, 1989, 236). The Founding Fathers “dreamed of and planned for a long-term future” and created a system of government that deliberately set out to avoid these perils through the twin instruments of the separation of powers and federalism (Hofstadter, quoted in Huntington, 1989, 227). The former colonies were transformed into independent states within the republic. The states were officially sovereign and independent, with most of the instruments of state power in their hands. The state governments were the first-line of defence between the liberties enjoyed by American citizens and the power of the federal bureaucracy.

But this automatically created a problem: how was unity to be guaranteed? To paraphrase Anthony Arblaster, “if the United States of America are ‘United,’ then why mention the word at all?” (Arblaster, 1993). The answer, of course, is that their unity is not, and has never been, something that can be taken for granted. The US was *made* united by the conscious political effort of its political elites throughout its history ever since its founding. To understand America properly we must stop “thinking” of it as a “single political unit,” and stop “referring to it in the singular” (Hendrickson, 1997-98, 9). Before the Civil War the United ‘States’ *were* always referred to in the *plural*. What the Founding Fathers had created *on* the American continent was a ‘system of states’ not unlike the state system that existed in the rest of the world – an international ‘system’ in miniature. Such a policy of federalism and

decentralisation, if left unchecked, threatened America with the possibility that its system “would *become* the European system”, literally (Hendrickson, 1997-98, 11; my italics). George Bernard Shaw described the US as having “no Constitution”, but instead a “Charter of Anarchism... a permanent guarantee to the... people that they never will be governed at all” (Shaw, quoted in Schlesinger, 1997, 4). The federal republic was only federal in name: in reality, it was a confederal system built on shaky foundations. The states could always move apart, the Union would splinter, and a *realpolitik* dynamic would force them into wars with each other.

This is not a theoretical observation made with the advantage of historical hindsight, but a fact widely attested to in political and intellectual circles. William Pfaff, a distinguished American international relations theorist, and a long time participant and observer of the political scene in Washington, once described the “American constitution” as a “profoundly realistic document” (Pfaff, 1996, 2). This is because it is “constantly concerned with checks and balances to constrain men and women from their natural inclinations to folly, excess, corruption---and evil”, and these concerns originate from the “realist tradition” originating in Europe (Pfaff, 1996, 2). According to Henry Kissinger, the “concepts of separation of powers and checks and balances”, argued for in *The Federalist Papers* and subsequently “embodied” in the US constitution, “reflected an identical view” to that of Montesquieu’s balance of power scheme (Kissinger, 1994, 21). The US as a founded society has always been torn between “centripetal and centrifugal forces”, a constant tug of war over authority between the federal and state levels (Hendrickson, 1997-98, 15). Foreign policy, America’s whole relationship with the outside world, has been at the centre of this tug of war. Successive generations of American leaders have tried to find a “middle ground” between the extremes of centralisation and decentralisation

(Hendrickson, 1997-98, 19). Given the relationship between foreign policy and the domestic order, America's international posture became part of this search for a 'constitutional formula' to America's internal problems. America's leaders perceived in the world the same "fundamental problem" they faced at home: "how to avoid the perils of---how, hence to reform the bases of---the Westphalian system" (Hendrickson, 1997-98, 12).

Two distinct approaches to *linking* foreign and domestic policy developed within the federalist tradition, one founded by Thomas Jefferson, the other by Alexander Hamilton. Jefferson favoured decentralisation, believing that the system could be maintained through the appropriate set of checks and balances, and sided with Washington's concerns over foreign policy. The Jeffersonian solution to America's domestic problems – decentralised federalism – also became the solution to the foreign challenges it faced. The corollary of federalism on the international scale was internationalism, particularly as articulated by Woodrow Wilson and his 14 points. The essence of the Wilsonian vision is multilateralism, the organisation of world politics through institutions such as the United Nations, where all countries are (in theory) given an equal say. This guarantees sovereignty while insuring peaceful relations and respect for the law, a cardinal principle of federalism. Internationalism in this sense was the "natural byproduct" of America's "reform agenda" at home (Ruggie, 1996, 24). Wilson was an heir to the Jeffersonian tradition, trying to "recreate the old nation of limited and decentralized power" (Huntington, 1989, 227). He believed that the way to avoid the "anarchy of the state system" was to "domesticate" or "constitutionalize" it (Hendrickson, 1997-98, 12). By shaping the world in America's image America could involve itself in global affairs without altering the "central character of American society" (Fry, Taylor and Wood, 1994, 145).



Even the words used to describe the internationalist world order project were originally used to describe the Union, since the aim was to create an “ordered liberty”, a “Union of different republics” which substituted the “rule of law” for the “empire of force” (Hendrickson, 1997-98, 9-10). Alexander Hamilton represented the opposite view and believed in the need for a “strong and energetic executive power at the center of the Union”, for fear that otherwise it would splinter and collapse into warring rival powers (Calleo and Rowland, 1973, 69). He also believed America should involve itself in world affairs, based on a realist, power politics approach. Hamiltonians also wanted to protect republican liberties, but they believed this could not be done without the sacrifice of these self-same liberties. In short, America’s leaders had to be realistic, they had to accept human nature and the nature of states as they were and attempt to work within the limits of this reality. They had little faith in the ability of the constitution and the normal functions of federal institutions to keep the country together. They had even less faith in maintaining peace internationally. To keep the country’s central character the same, a strong central government was needed, and international challenges had to be faced with the same sense of realism. American political history in general represents the “continual interplay between Hamiltonian and Jeffersonian proclivities” (Hendrickson, 1997-98, 15). This is how America’s identity impinges on its foreign policy.

The “character” of America’s foreign policies and the “definition of the Republic” are “fundamentally linked: *who* Americans are and *how* they present themselves to the world” (Fry, Taylor and Wood, 1994, 146; my italics). Americans “see the world in their own image” and “project into the international sphere attitudes derived” from their “domestic experience” (Fry, Taylor and Wood, 1994, 134). But, given that there are different visions of ‘America,’ American identity impinges on its

foreign policy in different ways. The Jeffersonian and Hamiltonian traditions tie into different aspects of American identity, originating in two “contradictory strands” of American culture: the “American Experiment” version and the “City on the Hill” version of American exceptionalism (Schlesinger, Jr., 1986, quoted in Van Tassell, 1997, 237). The American experiment represents the belief that the American form of government can be extended to the rest of the world: hence Jeffersonianism, and Wilsonianism. The City on the Hill version, or vision, sees America as unique in a way that gives it a “special moral role and destiny in world affairs and thereby serves as a shining example to the rest of the world”: hence Hamiltonianism (Van Tassell, 1997, 237). But both are aspects of the same tradition of exceptionalism that helps define American identity; they represent two sides of the same federalist coin. This account covers what America means to Americans, and clarifies to a considerable degree how America’s foreign policy intellectuals see their country’s identity, in the past. Their vision of its future identity, and how this bears on foreign policy, is the subject of the next section. The remainder of this section attempts to conceptualise the above account in Gramscian terms, dealing with the American establishment’s vision of America, and the role of the foreign policy (organic) intellectual in constructing and popularising this image.

#### 1.4 – The Establishment’s ‘Vision’ of

#### America: Reconciling Competing Visions and Factions

From a Gramscian perspective, national identity and interest are ideational constructs that are *negotiated* between different classes and class fractions within the arena of civil society, with intellectuals as the main negotiators in this arena. National



strategy “must receive the concurrence... of the relevant political elites and institutions, the politically attentive public, and the general body of the citizenry”, demanding a “correct fit” between ideas, social forces, and vested interests (Fry, Taylor and Wood, 1994, 143-146). The story of how America developed its vision of itself in the world, and the impact of the world on it, actually runs parallel to the story of the development of the American upper class and its transformation into a hegemonic establishment. The massive wave of industrialisation in the 19<sup>th</sup> century both created this class and gave the US the ability to project its power outside of its geographical sphere of influence (the Western Hemisphere). All of these transformations also came in the wake of the Civil War, which finally consolidated federal authority, giving it the ability to plan ahead and mobilise America’s new abilities. This also gave the emerging establishment a political authority to coalesce around and strategize with.

It was a combination – or intersection – of these internal factors and the changing configuration of international power that led the US and its establishment to the adoption of a globalist posture. This intersection began in 1870, with the geopolitical “decline of British hegemony”, which meant that “no restraining mechanism existed... to prevent... mercantilism” becoming the order of the day (McCormick, 1995, 18). A potential German hegemon was also on the horizon. Although America had not been partial to free trade historically, what worried the country’s leaders about this development was the ‘closure’ of the American frontier. America’s elites had to find an alternative source for the raw materials and markets needed for the continued expansion of the American economy. In the 19<sup>th</sup> century economic frame of mind this was no small task, transforming the closing of the frontier into a major event in the eyes of the country’s leaders. Economists from right



(Malthus) to left (Marx) believed that population growth, combined with limited resources, would outstrip production and so make economic growth impossible – economics was the ‘dismal science’. It was certainly the “established wisdom” in America at the time that, if the US economy “did not grow and grow,” it would “come crashing to the ground” (Calleo and Rowland, 1973, 50-51).

The US needed the open international economy (kept open by Britain) as *this* alternative source of demand and resources, to “postpone indefinitely the gloomy fate” predicted by economists since Ricardo (Calleo and Rowland, 1973, 34). This response was thoroughly American, a knee-jerk reflex grounded in the country’s “historical experience”, which saw “expansion” as the “cure prescribed for America’s internal tensions” (Calleo and Rowland, 1973, 34). This new bout of overseas economic expansion was seen as a natural extension of America’s historic move westwards and part of its continuous process of ‘nation building’. In fact, many of these predictions seemed to be coming true since the whole capitalist world was trapped in the ‘Long Depression’ of the last quarter of the 19<sup>th</sup> century (see McCormick, 1995). It was within this context that the economics of the globalist project was born on American soil, transferred from Britain to America via the common Anglo-Saxon, Protestant background shared by their upper classes. Out of this developed a Jeffersonian geopolitical ‘model’ of how events outside of America impacted on the character of American society and government. Those American leaders that adhered to Jeffersonian principles feared that if a totalitarian enemy become powerful enough to challenge the US (by dominating Europe) this would push the US into protecting itself by “increasing military spending or regimenting its domestic economy” (Leffler, 1992, quoted in McGrew, 1994, 227).

Such a development would threaten America’s “political economy of

freedom” and possibly transform the country into a “garrison state” (Laffler, 1992, quoted in McGrew, 1994, 227; Holland, 1991, 34). This is, of course, not to discount the role of economic interest in the plans of these thinkers. In 1907 Woodrow Wilson, a representative of this school of thought, once wrote that the “doors of the nations which are closed” to American trade and investment “must be battered down... even if the sovereignty of unwilling nations be outraged in the process” (Wilson, quoted in Parenti, 1996, 40). As President, he “noted that the United States was involved in a struggle to ‘command the economic fortunes of the world’ ” (Wilson, quoted in Parenti, 1996, 40). The point is that policies aimed at serving the economic interest took on board a variety of important political and ideological concerns, furnishing the basis of this particular mode of external expansion. One of the reasons that Woodrow Wilson was committed to the “righteous conquest” of foreign markets by US corporations was his belief that, with the closing of the frontier, US producers “have expanded to such a point that they will burst their jackets if they cannot find a free outlet to the markets of the world” (Wilson, quoted in LaFeber, 1994, 292, 270). The frontier myth and the dominant economic mindset of his age played an important role in the decisions he made. As Max Weber famously put it, “very frequently the ‘world images’ that have been created by ‘ideas’ have, like switchmen, determined the tracks along which action has been pushed by the dynamic of interest” (Weber, quoted in Ruggie, 1996, 23). This also means that those who did not share these political concerns would be expected to take a very different approach to ordering international affairs. Moreover, a small, tight circle of individuals within the ranks of Hamiltonians *did* interpret these major events in a very different light, and subsequently developed their own geopolitical model reflecting their own concerns. The members of this group included prominent thinkers, public figures, government officials, and

politicians, the most important of which were “Henry and Brooks Adams, Henry Cabot Lodge, Alfred Thayer Mahan, John Hay and Theodore Roosevelt” (Calleo and Rowland, 1973, 46). They also viewed America’s future prospects (after the closure of the frontier) with an air of “overwhelming pessimism”, but for substantially different reasons (Calleo and Rowland, 1973, 48). They held a “philosophical” understanding of what gave meaning and vitality to human life that led them to believe that democracy would create a “plebian society with no common will”, eventually degenerating into “chaos and torpor” (Calleo and Rowland, 1973, 46). In the context of a founded, ideological country like America, this could have led to disaster. American nationalism is ‘civic,’ substituting ideological values for national culture, and so lacks the kind of cultural grounding needed to create a stable, unified nation. Culturally the American ‘nation’ always faces the possibility of civil war. In this vein a noted statesman and intellectual, Rufus Choate, writing in 1850 described state governments as something that “must exist almost of necessity” (Choate, quoted in Hendrickson, 1997-98, 12).

The Union, on the other hand, was “a totally different creation---more delicate, more artificial, more recent, far more truly a mere production of the reason and the will” (Choate, quoted in Hendrickson, 1997-98, 12). With the closing of frontier an important instrument of unity evaporated. Constant expansion placed the country on a permanent war footing, since expansion meant expansion into the territories already held by other great powers (Spain, Britain, France) and the native population. Conflict breeds unity and purpose, but when conflict ends, anomie sets in and people go their separate ways. As the scholar William James observed, “war is the only force that can discipline a whole community” (James, quoted in White, 1997, 270). This realisation has actually been a historic anxiety operating on the periphery of the American



psyche. Richard Henry Lee, soon after the War of Independence, looked fondly to the days of this “cruel and unnatural war” (Lee, quoted in White, 1997, 270). He feared that the new life of “luxury and dissipation” that had overrun the country would banish “all that economy, frugality, and industry which had been exhibited during the war” (Lee, quoted in White, 1997, 270). This refers to what Daniel Bell later called the “cultural contradictions of capitalism” (Kurth, 1997, 15). Capitalism’s success breeds a complacency and preoccupation with consumption, “self-centeredness and self-indulgence that in turn undermine” the very qualities (the Protestant work ethic) that helped build capitalism in the first place (Kurth, 1997, 15). The Long Depression, which extended from 1870s to the 1890s, was also a period of considerable “agitation which seemed to reveal a certain fragility” in America’s “*social as well as economic order*” (Calleo and Rowland, 1973, 34; my italics). In the American frame of mind, with its emphasis on endless expansion, many of America’s political, intellectual and business leaders took it as “more than coincidental” that the closing of the frontier was ‘accompanied’ by an American “economic and social crisis” (Calleo and Rowland, 1973, 34).

Following the same logic as Henry Lee, Theodore Roosevelt “warned Americans in the 1890s that they had to ‘boldly face the life of strife’ ” or else they would sink into “ ‘Oversentimentality, oversoftness... and mushiness’ ” which were the “ ‘great danger of this age and people’ ” (Roosevelt, quoted in Campbell, 1992, 156). The societal preferences of this group of geopolitical thinkers, and their psychoanalysis of America’s future, was confounded and made more perplexing by the fears generated by the “cultural effects of ceaseless immigration” (Calleo and Rowland, 1973, 49). The late 19<sup>th</sup> century was also the period when the geographically and demographically more powerful ‘Eastern’ countries (Russia,

China, Japan) were beginning to reassert themselves and challenge Western hegemony. This is why Mahan saw the Western world as an “oasis set in the midst of a desert of barbarism” (Mahan, quoted in Calleo and Rowland, 1973, 49). This group of thinkers strongly believed that the white race had a “God-given responsibility to civilize and Christianize their darker brethren”, while the Anglo-Saxons in particular – the “whitest of the white” – had to take up this task (Mead, 1987, 9). In the context of the growing power of these races it became a necessity to take up the ‘Roman task’ of civilising the barbarians before it was too late. This was the age of Social Darwinism, and because of this ideology many in America ‘welcomed’ the growing potential for conflict in the world (see Fry, Taylor and Wood, 1994). The upcoming struggle would either make or break the West and determine which civilisation would “dominate... the earth and... control its future” (Mahan, quoted in Calleo and Rowland, 1973, 49).

For Mahan, Roosevelt, and many of these thinkers, America became a microcosm of the Western world, with its fate and predicament part of the larger historical forces that were threatening to destroy the West. The whole discipline of geopolitics had developed in response to the overwhelming sense of “*fin de siècle*” that characterised the Western world’s passage from the 19<sup>th</sup> to the 20<sup>th</sup> century (Parker, 1985, 7; italics in original). The near total domination of the world by the Western powers gave them the opportunity to illuminate the world from its “dark Egyptian night” (Parker, 1988, 6). But, at the same time, this sense of complete domination was accompanied by a “collective sense of shudder of apprehension” about what the new century would bring (Parker, 1985, 7). This was not a matter of cultural anxiety, but the “very real” “dread of conquest of Europe... from the inaccessible depths of Asia” (Parker, 1988, 7). It was feared by many in Europe that,



in time, “India and China would be modern industrial nations and would break away from European leading strings; with their preponderance in population this would remove the earth’s center of gravity, the Pacific would supplant the Atlantic” (Kiernan, 1995, 173). In geopolitical terms Europe is merely the Westernmost extremity of the Eurasian (European-Asian) continent, geographically connected to a landmass that far outweighs it in terms of population, resources and strategic depth. In layman’s terms, the problems (balance of power) of Asia eventually end up on the doorstep of Europe, with Eastern Europe being the geographical bridgehead between the West and the East – hence, Mackinder’s famous dictum. The quest of saving America, therefore, became part of a larger quest to save the whole of Western civilisation. The geopolitical and cultural imperatives behind this school of thought meant that they had a very different vision of international relations and the ideal global order.

The Jeffersonians were steeped in the British globalist tradition of “indirect rule and free trade” (Lundestad, 1998, 155). The imperialist tradition they advocated was primarily economic and indirect, essentially Britain’s hegemonic free trade imperialism. The Hamiltonians on the other hand advocated an imperialism that was “essentially geopolitical---military and cultural”, with economics taking a “secondary” role (Calleo and Rowland, 1973, 51). They saw economic power as a “function of political and cultural vitality” – a means to an end, and not an end in itself (Calleo and Rowland, 1973, 51). They also saw the primacy of the economic imperative as a sign of decadence and decline as the “original American ideal dissolved into a squalid scramble for land, money, and empire” (Minogue, 1997, 90). In fact, the business community was largely opposed to this vision since it meant warfare and spheres of influence, which would get in the way of orderly trading



relations and disrupt economic activity. A political calculus was in charge at all levels of the articulation of this vision, whether economic, cultural or political. They supported a non-hegemonic form of globalism, and a non-hegemonic vision of the domestic order, even though they were equally rooted in the exceptionalist tradition. It is because of this that it may seem puzzling that these Hamiltonians also feared the development of a 'garrison state' like their Jeffersonian counterparts. Theodore Roosevelt, like Wilson, was a "Progressive" and "held to much of the older ideal" of decentralisation and individualism (Huntington, 1989, 228). Like George Washington, both presidents also feared the consequences of overgrown military establishments. These concerns over the garrison state were voiced by George Kennan – a modern representative of this Hamiltonian school of thought – during the Cold War. He feared that the US was not "politically and culturally suited" for the "hegemonic role" implied by the militarisation of the Cold War because it could have "consequences for the nation's internal political balance and vitality" (Calleo, 1987, 30). On an economic front, they also rejected the growing concentration of economic power with the advent of industrialisation. Roosevelt in particular, having lived through the Long Depression, objected to this and preferred the "former pristine, individualistic strength and vigor" of the past (Huntington, 1989, 228). This was a period of growing concentration of capital as the harsh economic conditions led to small businesses failing and being swallowed up by the big trusts. This also added to the air of pessimism since these developments tallied well with "Marx's predictions about the inexorable concentration of capital" (Calleo and Rowland, 1973, 34). These changes also robbed American capitalism and society of much of its original character, forcing many of America's leaders to "ponder whether American capitalism was not entering some fundamental crisis" (Calleo and Rowland, 1973, 34).

But, despite all of these points of agreement with the Jeffersonian tradition, the objections of these geopoliticians were rooted in a significantly different vision of America, and different understanding of the term 'garrison state'. They believed in what could be called "benevolent authoritarianism", hoping to sideline democracy and replace it with the rule of a 'cultured elite,' condemning the "vulgarization of culture brought" on by plebeian, mass rule (Hixon, 1989, 245; Wolfowitz, 1997, 4). Henry Adams in particular condemned the 'patronage' and 'corruption' that had become the "lifeblood of the nation" thanks to democracy, a political process that had reduced "presidential elections... into mindless popularity contests" (Minogue, 1997, 89). The concerns they shared with Jeffersonians over the concentration of capital were dealt with in a significantly different way, reflecting their ideology and understanding of the proper role of the state. Jeffersonian's such as Woodrow Wilson wanted to turn back the clock and "use government power to reinforce traditional political and moral values" by 'opening up' the "new corporate system" to " 'the little man on the make' " (Wilson, quoted in LaFeber, 1994, 270). Despite Roosevelt's misgivings about the concentration of capital, he "accepted" the need for "large-scale economic organizations" and dealt with this phenomena on a "pragmatic" basis (Huntington, 1989, 228). Roosevelt and the group he represented believed that government power, an enlightened concentration of political power, was the ideal way to keep these economic developments in check. More importantly, their concerns over such major economic developments were, again, rooted in their valuation of economics vis-a-vis culture, morality, and politics. They feared that the concentration of capital, if left unchecked, would lead to moral degradation as economic elites took over the mass consciousness and moved people away from the frugality and decency of the traditional mode of economic life. Taken a step further, we realise that this group was



so grounded in American exceptionalism that they came to reject the very process of industrialisation that had created the US establishment and formed much of the economic rationale for US hegemony. The reason behind this rejection was their class background, drawn as they were from the older American elites. They were not really part of the establishment at all, at least not the mainstream. In fact, their concerns over the detrimental effects capitalist culture would have on national unity actually represent a rebellion of sorts against the laissez faire system and the supremacy of economic imperatives in people's lives. Their very class status actually militated against the laissez faire system. Although America was never feudal, in its early history an "aristocracy had governed, established popular tastes, and maintained a balance of power among nations" (Hixon, 1989, 8). This particular group certainly did look "admiringly at the British elites and noted with interest how imperial functions abroad gave new prestige and vigor" to the British aristocracy, and hoped to repeat their achievements in America (Calleo and Rowland, 1973, 47).

The ideas and positions of these geopolitical thinkers were driven by "nostalgia" and a "romantic attachment" to the past, and involved a strong "reactionary" attempt to bring back to life the old order through foreign policy (Hixon, 1989, 239, 8, 239). They were "conservative in the late eighteenth-century meaning of the word" and saw in "modern nationalism and mass democracy the sources of the twentieth century's political instability and its unprecedented disastrous wars" (Mayers, 1990, 7). In Gramscian terms these thinkers were "traditional" intellectuals, representing the "vestiges of organic intellectuals from previous social formations" (Femia, 1981, 131). No doubt they thought they were "autonomous, independent of the dominant social group" (Gramsci, quoted in Femia, 1981, 132). But they were swept up in the globalist project of the proper organic intellectuals and



the economic interests they represented. This is because these ideas, as non-hegemonic as they were, did “*both* serve the interests and *reflect the experience of...* the dominant group” (Femia, 1981, 132; italics in original). The coming together of the more traditional, hegemonic globalist tradition and this geopolitical, non-hegemonic school, is what led to the merging of realism and idealism during the Cold War mentioned above in Chapter 1. This process began under Franklin Roosevelt, who was strongly influenced by his uncle Theodore Roosevelt, and was known to be “an ‘eager pupil and apprentice’ of Mahan” (Weigert, quoted in Parker, 1985, 117). FDR had a “quite different version” of internationalism to that of the “Wilsonian idealists” (Alexander George, 1989, 588). His internationalism was geopolitical, grounded in realist concerns over security and not economics, knowing full well what a German-dominated Europe meant in geopolitical terms. He only used the Wilsonian “internationalist viewpoint to help legitimate his own” agenda, and because of his, eventual, acceptance of their economic project (Alexander George, 1989, 588). There was also enough commonly held views on both sides of the establishment to facilitate this synthesis. All were steeped in the exceptionalist tradition and the “ideology that saw the Civil War as the crucible of American civilisation”, with the war’s resolution demanding a new mission for America now that “Manifest Destiny on the continent was fulfilled” (Holland, 1991, 31). They all adhered, liberal and realist alike, to the “Rooseveltian world-view” (Holland, 1991, 31). This worldview called for America to take up Britain’s role, like a “person who, ‘on the death of a parent, hears in a new way the roaring of the cataract’ ” (Dean Acheson, quoted in Cumings, 1999, 284-285). The collapse of the old geopolitical foundations of the British world order also gave their ideas more currency, particularly with the development of the Cold War (the Soviet or ‘Eastern’ threat). Jeffersonians and those that followed Washington’s

advice were forced to face the “perennial issue” of the role of “standing armies in a liberal society” and take up much of the Hamiltonian imperative (Huntington, 1989, 237). This process was finalised with the full advent of the Cold War in 1947, with their ideas forming the geopolitical foundations of a project basically driven by economic interests. The liberal, Wilsonian side of this compromise also gave America’s hegemonic project its ideological rationale and much of its grounding in American exceptionalism at the popular level.

As we said earlier, the problem that has always faced internationalist leaders in America is to “not only” convince Americans to be “*in* the world but of *it* when no overarching threat exists” (Ruggie, 1997, 120). Woodrow Wilson provided America, and these geopolitical thinkers, with the solution, which was to make the “American system... universal” by ‘exporting’ its system of government (Hendrickson, 1997-98, 10; see also Lundestad, 1998). In the context of the post-war world, the international order created was *shown to* Americans to be a re-enactment of the creation of the American Republic, the American Dream ‘writ large’. The internationalist vision of Wilson represented “America’s collective self-concept as a nation”, tapping into the “*very idea of America*” (Ruggie, 1996, 25; italics in original). In Gramscian terms this merging of the two variants of globalism brought together the “coercive and consensual elements of power” behind America’s hegemony (Payne, 1994, 153). It was under the presidencies of Franklin Roosevelt and Truman that the American establishment finally came to agree on a vision of America, its position in the world, and how the world should be best configured to serve the country’s interests, economic, political and social. The *fate* of this ideological and ideational compact is a dominant concern of the rest of this chapter, and the rest of this thesis.

Following Gramsci we should bear in mind that the new belief systems dealt



with below represent “public beliefs about foreign affairs” that “connect to significant political cleavages in American society” (McGrew, 1994, 225). The positions taken articulate the “interests, aspirations, beliefs and values of a particular constellation of social, political and economic forces in American society” – different visions (identities) of America grounded in different interests (class configurations) (McGrew, 1994, 225). We must always place these various vested interests within their appropriate historical context and refer constantly to the “American political imagination” (Calleo and Rowland, 1973, 17). To finish off this section we need to go into an area so far not dealt with directly in this thesis, and that is the exact role of intellectuals in the foreign policy debate. We have dealt with the broad ideational impact of the end of the Cold War on the intellectual structure of policymaking, but we have not dealt with its effect on intellectuals directly, as individuals and groups. As a link chapter, we have to provide material on the nature of America’s civil society and its intellectual persona in order to interpret properly the post-Cold War intellectual produce, and factor this into the conclusion of the thesis.

### 1.5 – Exceptionalism and the Place of Intellectuals in the Policymaking

#### Process: US Civil Society and the Relationship of Intellectuals to the Establishment

The US political process is highly permeable and open, providing a multitude of entry points for non-state actors, and giving civil society a much more prominent role than is found in other capitalist countries. American civil society itself represents essentially a “privatized terrain of corporate behemoths occasioned by rarer species of advocates for social causes, workers, and consumers” (Ronald Cox and Skidmore-Hess, 1999, 212). Political parties and the legislature only form the “visible tip of the



iceberg” of a much “longer, insulated... technocratic” and “elitist” policymaking process (Stone, 1996, 113). Parties in the US system have never really been at the heart of policy development, with most of their research activities ‘contracted out’ to the private sector, think-tanks, and academic institutions. In America the true ‘laboratories’ that produce conceptions of the world (see Gramsci quote at the beginning of this chapter) are these very think-tanks, with the classic example of this being the Council on Foreign Relations (see Holland, 1991). The Gramscian concept of ‘party’ itself deserves special mention here because it has a “much broader meaning than the one attributed to it by political science or by common usage” (Mattelart, 1994, 179). The concept of party for Gramsci “overlaps with the meaning of ‘organizer’ or ‘organic intellectual’ and is inseparable from the concept of hegemony” (Mattelart, 1994, 179). In Gramscian terminology, think-tanks count as parties because they serve the same ‘organic’ purpose of transforming “popular ‘common sense’ ” into a “critical terrain of political struggle” (Rupert, 1997, 113).

In the particular case of America, this organic function is directed at the elected government as much as it is directed at the masses. According to Fischer, many of the most important decisions are made by networks of intellectuals, bureaucrats, and lobbyists “before” the official policymakers “become actively involved in the process” (Fischer, quoted in Stone, 1996, 113). Even the decisions made by the official policymakers are strongly influenced by think-tanks and lobbyists because of the nature of the political system, which is based on the separation of powers. Neither the executive branch or the legislature have complete authority over any one issue, giving vested interests the opportunity to play one branch off against the other. Business interests in particular use this to place a “de facto limit” on the deals between the executive branch and Congress, forcing the

government to “maintain an effective two-way dialogue with the business sector” (Cohen, 1994, 130). The real source of much of the substance and dialogue of policy in America, thus, lies at the ‘margins of government’; in Gramscian terminology, policy originates from the ‘extended state,’ where political society meets civil society (see Stone, 1996). The intellectual ammunition used by all these actors is furnished by policy intellectuals. The exchanges made between the different facets of the decision-making process are mainly arbitrated by intellectuals, giving them an unprecedented opportunity to help set the agenda. In fact, intellectuals have such a high profile in the political system that they can become decision-makers themselves, and not only advisors to policymakers. The US has a presidential system, which means that the President’s cabinet secretaries, ministers and advisors do not come from Congress, as in parliamentary systems. This gives the President the opportunity to bring in people from outside the policymaking process, and those selected often include academics. In some ways academics are preferred to bureaucrats because they help increase the autonomy of the chief executive, helping the President to fill his cabinets with people not tied to bureaucratic vested interests.

The cultivation of academics by political elites is also a product of a uniquely “American tradition and understanding of Political Science” grounded in American ‘exceptionalism’ (Krippendorff, 1989, 32). Political science and political education in the US were actively promoted by political elites as a way of ensuring that the US did not fall into the undemocratic traditions of the Old World they had rebelled against and rejected. The whole culture of academia in the US is completely different from Europe, where intellectuals are seen as subversives aimed at exposing the mistakes and secrets of the government. In the US academics see it as a “fulfilment” of their “academic and intellectual profession” to “shoulder the responsibilities of political



power” (Krippendorff, 1989, 32). The organic function of the intellectual is the norm in America, representing the ideal most academics aspire to. Brzezinski calls such academics ‘politicians-intellectuals’ (see Chomsky, 1969). Although this does decrease the independence of intellectuals, it increases their importance to vested interests. This also gives the intellectuals the opportunity to become ‘vested interests’ themselves. America is a country that allows intellectuals to go ‘straight to the top,’ with the classic case of this being Henry Kissinger, one of the most important and dominant figures in the history of American foreign policy. It is because of the example set by him that many foreign policy intellectuals in the US suffer from what is known as the ‘Kissinger syndrome’ (see Krippendorff, 1989). To influence events in the real world, to actually apply their theories and make history they have to meet the conditions and specifications of those in power. Much like politicians, they have to pander to the biases of others to get their agenda across; hence, the designation ‘politician-intellectual’. The Kissinger syndrome has always been a mainstream phenomenon in American academia, but it has reached new heights in the new era because of the success of the US in the Cold War. It is against this backdrop, in addition to the more purely intellectual reasons listed above, that we can begin to understand how policy intellectuals have reacted to the end of the Cold War. The end of the Cold War has been both a blessing and a curse to America’s community of experts. The collapse of communism was a vindication of America’s ideals, and, by extension, the views of America’s liberal and conservative academics. With no counter-ideology and rival superpower the ability of America to shape the world and ‘make history conform’ (see Chapter 2) has increased, at least in principle, which means that the American intellectual can also have more impact than ever before.

At the same time, though, the end of the Cold War has led many in America to



believe that foreign policy think-tanks have outlived their usefulness. Martin Walker, a British journalist working for *The Guardian*, has produced a striking portrayal of the transformations that are sweeping this community of experts. He has described them as people that are “starting to resemble decayed aristocrats of an ancien regime” (Walker, 1997a, 404). Like these aristocrats they are “trying to maintain a traditional style of life as the old chateau is dismantled around them, their tapestries ripped down to become cloaks for the rebellious peasants who now control Congress” (Walker, 1997a, 404). This has increased the sense of desperation among intellectuals because the only thing standing in the way of their status as the organic intellectuals of the new orthodoxy is the absence of a threat. The important point that needs to be made here is that the changes in intellectual discourse in the new era are not exclusively the product of the more purely ideational consequences of the disappearance of the Soviet threat. Of equal importance is the fact that America’s foreign policy intellectuals are also suffering from all the forces of revision present in America today. Isolationism is not only a threat to America’s internationalist posture, but also a threat to the federal government sustained *by* this internationalist posture. The isolationist rejection of globalism itself is driven partly by concerns over America’s distinct political economy of freedom, as enshrined in federalism. It is not only the globalist/internationalist think-tanks that have fallen out of favour, but also the federal agencies and departments that house internationalist intellectuals. Thanks to the Republican ‘Contract with America’ the State Department has been forced to close down “thirty-six diplomatic and consular posts”, losing thousands of employees, while also not being able – at the same time – to afford the “state-of-the-art high-technology communications system” needed to replace these employees (Schlesinger, Jr., 1996, 8). Like Walker, Arthur Schlesinger, Jr. has also complained about the

“congressional wrecking crew” of Republican isolationists who are “bent... on destroying... the essential instrumentalities” of foreign policy (Schlesinger, Jr., 1996, 8). All the intellectuals employed in these agencies, save the military, are under threat from the isolationists.

Therefore, just as the elevated position of intellectuals in the US is a product of exceptionalism, the onslaught on intellectuals is also a product of exceptionalism. The isolationist instinct, the fear of the ‘garrison state,’ and the American identity crisis have all precipitated this backlash that has robbed these intellectuals of their privileged position. By extension, isolationism is not only a threat to the federal government (and its intellectuals) fostered by internationalism, it is also a threat to the establishment (and its organic intellectuals) that was brought into being through internationalism. This returns us to the Gramscian framework and our understanding of the nature of intellectual activity and its role in creating and sustaining hegemonic projects. In the remainder of this chapter I deal with the different foreign policy schools of thought held by America’s politicians. This exercise will give us the opportunity to see how identity, normalcy, ideology, the national interest and vested interests are being dealt with at the official level in America today. This will also give us background material we can use to determine the position of certain intellectuals in the foreign policy debate, dealt with in Chapters 4 and 5.



## **Section 2 – The Contours of the Policy Debate:**

### **Globalism, Exceptionalism, and the New Schools of Thought**

#### **2.1 – The Current Positions: The Importance of Categorising the Various Schools of Thought**

In this section I intend to provide a broad overview of the political landscape in America, categorising the different foreign policy schools of thought, and determining who supports what kind of foreign policy and why. Also of great importance to us here is the overall status of globalism in contemporary American foreign policy thought. Here I will apply the Gramscian categories of coercion and consent to differentiate between those who support globalism as we understand it, and those who advocate global engagement per se, regardless of the nature of this engagement (what policy instruments are used, how, and why). This is in addition to the more obvious issue of differentiating those who support a global presence, of any kind, and those who do not.

Classifying the plethora of positions being put forward into coherent schools of thought, and using titles that designate their views accurately, is not an easy task for a variety of reasons. The sheer mass of different views makes this task difficult in itself, and many of these views are not well worked out, and some only held by a few participants on the margins of the debate. More perplexing is the fact that the new divisions are completely different from the traditional “conservative-liberal, hawk-dove divisions of the cold war”, and they “cross party lines” as well (Berkowitz,



1997, 301). To simplify matters, I will use the conventional classification that has developed as the debate has proceeded, and try to subsume under these labels the various insights and conclusions about foreign policy and the American dilemma made above. A broad overview of the policy dialogue literature (see Ruggie, 1996) leads to the conclusion that there are three dominant views, variously named by different observers. I use Anthony McGrew's classification of them into primacy (or preponderists), neo-isolationism, and new internationalism (see McGrew, 1994). I use his classification because it is closest to the way participants in the foreign policy debate classify themselves. I also use it because he deals with the issues of identity and ideology that are so important to in this thesis, whereas most other accounts only deal with more strictly foreign policy concerns (see Posen and Ross, 1996-97, and Haass, 1995).

## 2.2. – Primacy/Preponderance: Coercive

### Globalism Embraced, Disguised as Consent

This perspective believes that the prime objective of post-Cold War US foreign policy lies in the US maintaining the “primacy with which it emerged from the Cold War” (Posen and Ross, 1996-97, 32). The collapse of bipolarity left the world, and the US, with two viable options: multipolarity or unipolarity. In a multipolar world the US would be “*primus inter pares*,” first among equals (Posen and Ross, 1996-97, 32). In a unipolar world the US would be “*primus solus*” (Posen and Ross, 1996-97, 32). Preponderists or primacy theorists support this second option. The seminal statement of their unipolar position was made by the draft Defence Planning Guidance published in 1992 (see Chapter 2). Preponderists are concerned

about the “trajectories of present and possible future great powers”, particularly Russia, China, Japan, Germany, France and Britain (Posen and Ross, 1996-97, 32). The growing power of these nations could put US supremacy at risk. In this view, the US must stay far ahead of these potential global challengers in all fields (economic, military, political) if it is to preserve its status. This perspective is grounded philosophically in the realist tradition, and specifically the “maximal realism of hegemonic stability theory” (Posen and Ross, 1996-97, 32). Although they agree with other realists on the interest-driven nature of states, they disagree on the exact configuration of power that needs to be established to ensure that the self-serving interests of nations do not lead to warfare. Other realists believe in balancing power through alliances and coalitions to create a state of equilibrium where it is not in any country’s interest to start a war.

The primacy school takes a very different perspective, believing that the two world wars have proven the traditional approach wrong. Instead, they see peace as the result of power “imbalance” where the near monopolisation of power capabilities by one country – the US – by itself will “cow all potential rivals and... comfort all coalition partners” (Posen and Ross, 1996-97, 32). The sheer inertia and nature of the system ensures conformity and stability, with a fair amount of direct intervention when the system does not suffice to keep affairs in order, as in the Gulf War. There is another important distinction that has to be made though between the primacy school and more traditional *realpolitik* thought. There is an important twist to this realist perspective now that the Cold War is over. Primacy here is not defined in strictly military terms, but consists more of insuring “economic pre-eminence” (McGrew, 1994, 226). Even a hardened realist like Huntington acknowledges this, saying that “in a world in which military conflict between major states is unlikely, economic



power will be increasingly important in determining the primacy or subordination of states' (Huntington, 1993)" (McGrew, 1994, 226). In the post-Cold War world "economic rivalry replaces superpower rivalry" (McGrew, 1994, 227). If the US does not place economic power high on its agenda it will be doomed to marginalisation and lose what power it has in world affairs, simply because economic power is the basis of military power. But economic power is no substitute for military power, and, more importantly, there can be no economic power without military power. To maintain economic power America has to exercise its political power to maintain a stable, peaceful political atmosphere to keep markets open and governments democratic. Both kinds of power reinforce each other in a virtuous circle and ensure American primacy in all areas.

The policy instruments preponderists advocate include a fair mixture of both coercive and consensual elements. They believe that the major powers need to be "persuaded" that the US is a "benign hegemon" (Posen and Ross, 1996-97, 33, 34). The US hopes to convince these powers that it is for their own good to operate in a hegemonic system, and thus remove any need in their minds to develop stronger forces and larger roles. The US hopes to do this through "promoting international law, democracy, and free-market economics," and supporting "political and economic" reform in Russia (Posen and Ross, 1996-97, 32). By advocating these policies the members of this group are adopting much of the collective security doctrine put forward by the new internationalists we deal with below. They even go as far as taking on board Joseph Nye's notion of "soft power" and the belief that America's domination of the "news media, mass culture, computers, and international communications" gives it tremendous ideological power over the world (Posen and Ross, 1996-97, 35). But, they are also sceptical of the effectiveness of international



organisations. This is a qualm they share with isolationists, but they do not go as far as them in their rejection of such institutions. They see many advantages in using them as “diplomatic cover”, providing a “facade of multilateralism” which would allow the US to pursue its interests and still maintain a cordial international order (Posen and Ross, 1996-97, 40).

Moreover, despite their belief in reforming Russia, they still view it as “strong and dangerous” and are strong advocates of NATO expansion and consider the “new containment” as a “stalking horse for primacy” (Posen and Ross, 1996-97, 36). There is even talk of leaving America’s forces in the Pacific to be the frontline for a possible new containment of China if things do not go as planned in that region. In either case, the new containment doctrine they are pushing is really intended to provide a “rationale for remaining heavily involved in Eurasia” and for maintaining the “political, economic, and especially military capabilities needed to pursue an intense global strategic competition” (Posen and Ross, 1996-97, 36). It justifies the defence expenditures needed to carry out this role, and leaves American forces in all of the ‘hot spots’ so America can impose its will on all its potential rivals. The world may need America and America may need the world, but America will only serve the world on its own terms.

Much of this “sanctification of primacy, in part, issues from the ideology of American exceptionalism” (McGrew, 1994, 226). Despite the emphasis on realism, there is a “strong utopian undercurrent which asserts itself in the implication that without primacy the nation would be robbed of its national purpose and the means to achieve it” (McGrew, 1994, 226). It belongs to the variant of federalist thought that believes in the need for strong, hegemonic leadership so that the US can fulfil its national purpose; the civilisational project of spreading the American variants of

democracy and capitalism to the world. McGrew goes as far as to conclude that this perspective is only “dressed up in the language of realpolitik,” while in reality being rooted in the same motivating forces that lay behind the internationalism of Woodrow Wilson (McGrew, 1994, 226). This group believes that “without a world configured to American interests the very future of the American democratic ‘experiment’, will be placed in jeopardy” (McGrew, 1994, 226). But there is another central aspect to this exceptionalist heritage that it does not share with Wilsonianism. Much of the intellectual produce of this school originates in the writings of the American geopoliticians dealt with above, an issue I will have to explore further in Chapter 4.

The main base of support for this vision “emanates from important sectors of American society which desire continuity in foreign policy... in terms of both the national purpose and the means to achieve it” (McGrew, 1994, 227). The list of supporters includes the military and the defence industry (i.e. military industrial-complex), traditional conservatives, the New Right, and even some liberals. Its main avenue out of the narrow confines of these elites to the general public is nationalism, the “patriotic spirit which permeates all aspects of American cultural and social life” (McGrew, 1994, 227). But, despite this, it has lately been received with considerable scepticism by a populace that has been turning inwards and is wary of military commitments that could drag the country into another war. It is the least popular of the schools of thought dealt with in this chapter, as we shall see below.



## 2.3 – Neo-Isolationism: Globalism

### Rejected, Consensual and Coercive

Before we can go into the details of this group we must elaborate first on the adequacy of the label 'isolationist'. Thinkers that categorise themselves as 'internationalists' themselves admit that this word is inadequate. Arthur Schlesinger, Jr. considers isolationism to be an "ambiguous concept", either in terms of cultural affiliation or commercial ties (Schlesinger, Jr. 1995, 2). It is ambiguous even in geographical terms, given that during the 'isolationist' inter-war period the US was engaged in a (Vietnam style) civil war in Nicaragua from 1925-1933. In geographical terms isolationism involves the US isolating itself *to* the Western Hemisphere. American involvement in this hemisphere is not considered internationalism because the Western Hemisphere is America's natural preserve, the rest of the New World, while Central America is considered to be 'America's backyard' (see Lotz, 1997). American intervention in these regions does not count as intervention at all because the involvement in and domination of this hemisphere is the country's 'manifest destiny'. As Kissinger says, in the early days of the Republic the country's "foreign policy... was not to have a foreign policy" (Kissinger, 1994, 36). Americans have never seen their country's westward and southward expansion as foreign policy, but something more akin to domestic policy (see Ferraro, 1999). Isolationism, then, is a very conceptually loaded term that cannot be taken at face value. The origins of this label have to be discerned if we are to properly understand the nature of the present day 'isolationists'.

According to another distinguished internationalist, J. G. Ruggie, the distinction between internationalism and isolationism was a 'folk myth' (Ruggie's



term) “perpetuated by the liberal end of the philosophical spectrum” (Ruggie, 1996, 14). It was the liberals who pictured Wilson’s attempt to get the Republican Congress to sign America into the League of Nations as a “titanic clash” where the “forces of darkness prevailed over the forces of light” (Ruggie, 1996, 14). Both “sets of policy positions” do actually “claim to be internationalist in orientation” and believe that the US should have an active, and often the dominant, role in international affairs (Ruggie, 1996, 8). After all, the list of so-called isolationists includes Henry Cabot Lodge and Theodore Roosevelt! In many ways Woodrow Wilson was the isolationist, as evidenced by his early position on America’s entry into the First World War. Theodore Roosevelt was the war-hawk who wanted to enter America into the war from its inception in 1914, whereas Wilson kept America out of Europe till 1917, when Germany decided to launch all-out unrestricted submarine warfare (see Russett, 1997; see also Kennan, 1993). Before 1917 Wilson designated himself as a ‘neutral’ who had a “moral obligation... to keep out of this war” (Wilson, quoted in LaFeber, 1994, 295). Wilson was re-elected in 1916 on the Democrat slogan “He Kept Us Out of War” (LaFeber, 1994, 293). The reason that such advocates of internationalism as Roosevelt and Lodge were labelled isolationist was because they refused to endorse the internationalist vision put forward by Woodrow Wilson. Lodge, in particular, was instrumental in blocking ratification of Wilson’s proposals for US membership in the League of Nations. The reason behind Lodge’s refusal of US membership are indicative of the true difference between these two distinct forms of internationalism. Lodge actually had no problem with America joining the League and was prepared to vote for it. The one “nonnegotiable issue” on which he was not prepared to compromise was his fear that the League “might pressure” the US to “take measures” it “might not wish to take, and pose a hindrance when it did wish to act” (Ruggie,

1996, 14). This is not isolationism but what is known as *unilateralism*: the pursuit by a country “of its own foreign policy goals, largely irrespective of the concerns of its allies, and more so of the broader constraints imposed by other states” (Halliday, 1986, 240). In the contemporary context the label ‘isolationist’ is even less adequate given that America’s international commitments have become a foregone conclusion, with isolationists now labelled ‘neo-’isolationists. One prominent neo-isolationist, George Kennan, explains that, as desirable as total isolation is, it is simply impossible because there “will always be a goodly number” of international obligations that “cannot be eliminated” (Kennan, 1993, 184). This group is actually very “loud” and “patriotic” in its defence of America’s interests, “narrowly defined” (Bienen, 1993, 163). Schlesinger, Jr. himself says that present day isolationists are merely perpetuating a “salutary shift from an international policy inspired by the visionary dreams of Woodrow Wilson” to one “inspired by the robust national-interest/balance of power geopolitics of Theodore Roosevelt” (Schlesinger, Jr., 1995, 5). Again, their main qualms with liberal internationalists are over the “compromises necessary for the smooth functioning” of alliances, given that they are opposed to “any transfer of sovereign authority to international organizations” (Haass, 1995, 50). But I will refrain from labelling them as unilateralists because this term also adequately describes preponderists and their attitudes to multilateral institutions.

Neo-isolationists do believe in ensuring world peace, provided that this objective is circumscribed exclusively to ensuring peace among countries of considerable economic and military weight. Like preponderists, they approach such matters from a realist perspective, only concerned over the great power conflicts which could develop into world wars, and could involve weapons of mass destruction. Also like preponderists, they are particularly concerned over new potential great

powers in the Eurasian landmass. The parts of the world that matter the most are at both ends of the Eurasian continent, grouped in Europe, East Asia, Southwest Asia and the Middle East. In these core regions traditional alliances are the “appropriate vehicle to pursue these interests” (Posen and Ross, 1996-97, 20). They do believe in NATO, but not NATO expansion, and only believe in getting involved in ethnic conflict when that conflict threatens to spill over into surrounding regions that are important to the US and threaten a great power war. As for the rest of the world, the US should only get involved (with it as the prime, and preferably only, decision-maker) in what they call ‘pivotal states’. These are countries which are earmarked for larger roles in the future, and thus are capable of influencing other countries around them, including Mexico, Brazil, Argentina, South Africa, Egypt, Turkey, India, Pakistan, and Indonesia. They hope to create a “flexible approach to foreign affairs, reducing permanent alliances commitments” and bringing the troops back home (McGrew, 1994, 229).

In the area of humanitarian intervention, neo-isolationists do not subscribe to any “strategic guide” since they believe that none exists for such situations, and prefer to leave the decision to intervene to the “normal processes of U.S. domestic politics” (Posen and Ross, 1996-97, 20). Unlike preponderists, they subscribe to more traditional realist thought. States “balance” and nuclear weapons “favor the defender of the status quo” (Posen and Ross, 1996-97, 12). Balance of power does work best when the US leads, it is just a question of being far more restrictive in the choice of where to intervene, leaving the balance of power logic to work itself out in the rest of the world. US engagement is best kept ‘selective,’ and on US terms. They do not subscribe to the view that the US should, or even can, be *primus solus*. They start from the “premise that U.S. resources are scarce” and that the demographic, economic



and military growth of Third World countries will eventually eat away at the lead the US does have now (Posen and Ross, 1996-97, 17). Even if the US had the resources, there is really no point in putting out fires all over the world if these conflicts do not involve powers that could threaten the world order or America's interests. One other important area of agreement between them and the preponderists is on the broadening of the definition of security from a military understanding (which they define very narrowly) to include economic security.

Neo-isolationists believe that the current era is an era where “ ‘geo-economics’ has come to replace ‘geo-politics’ (Luttwak, 1993, p.35)” (McGrew, 1994, 229). Following the same logic as the preponderists, they see the traditional “struggle for power” that shaped most of history as being replaced by a “struggle for industrial and economic supremacy” (McGrew, 1994, 229). They also take this new concern over economics further and give it *primacy*. This greater emphasis on economics is more a product of their analysis of the causes of America's economic decline than the end of superpower conflict. Globalisation is explicitly acknowledged as one of the culprits behind America's current economic woes, as is evidenced by the title of a book by Patrick Buchanan, *The Great Betrayal: How American Sovereignty and Social Justice are being Sacrificed to the Gods of the Global Economy*, 1998. The “perceived excesses” of globalisation lie “at the heart of contemporary American isolationism” (Dumbrell, 1999, 34). Neo-isolationists trace the “de-industrialization... corporate restructuring and the internationalization of American business” to the “growing vulnerability” of the US to “Japanese and Third World” competition (McGrew, 1994, 228). Blue-collar workers, vulnerable groups in society and the various industries that made up the backbone of American economic life have all been sacrificed to the “virtues of a global free trade order” (McGrew, 1994, 228). This

move to geo-economics has also meant that the world is becoming a “neo-mercantilist system” where *realpolitik* is being replaced by a parallel ideology of *realekonomik* (McGrew, 1994, 229). The US should “adopt a more unilateral and aggressive foreign economic strategy”, even if this means strained relations with America’s so-called allies (McGrew, 1994, 229).

The various positions taken by neo-isolationists overall sanction “post hegemonic America” by advising Americans “not to care about what goes on” outside of their country’s borders (Burnham, quoted in McGrew, 1994, 229). One of the reasons that neo-isolationists reject global responsibilities – whether they be those of Cold War global policeman or post-Cold War primacy – is because they see much of American decline developing out of the “costs of decades of international activism” (Haass, 1995, 49). This refers to the ‘imperial overstretch’ argument made by Paul Kennedy (see below). Unilateralism is also intended to eliminate the relations that allow certain allies to “ ‘free ride’ and exploit America’s good nature” (Dumbrell, 1999, 30). Their views on economics and security converge on the critical issue of the common ideological thread that ties these various policies and positions together. That is, they hope to completely eliminate assessments of American interests in “abstract ideological or moral” terms, and oppose – more importantly – “grand world visions” of America’s role (McGrew, 1994, 229). According to Kennan, neo-isolationists “wholly and emphatically” reject “any and all messianic concepts of America’s role” and the accompanying “prattle about Manifest Destiny or the ‘American Century’ ” (Kennan, 1993, 182). Though the rank and file of isolationists do not advocate wholesale withdrawal, they are opposed in principle and practice to what the American political establishment calls globalism. This rejection also extends to the economic realm since they are opposed to globalisation.

On the ideological and rhetorical front, neo-isolationism is steeped in the tradition of American exceptionalism. Specifically, they “consciously cast themselves” in the tradition of a particular group of isolationists known as the “American Firsters” (Bienen, 1993, 163). These were Americans that campaigned against American involvement in Europe after the First World War. The general paradigm to which they subscribe is that the world is “messy and evil”, that the US is a “special place, pure and innocent,” and that involvement will only serve to corrupt its unique virtues (Bienen, 1993, 163). But, it is wrong to think of these views as the product of xenophobia, historical fears and grudges, and the opinions of uneducated provincials. They believe that “large scale interventions” over the world could set a train of events in motion to the point of leading to a “loss of freedom at home” (Bienen, 1993, 163). Isolationists and neo-isolationists have always favoured a balance of power approach as a way of maintaining freedom at home. Senator Robert Taft, a particularly prominent “neo-isolationist”, also favoured a balance of power scheme because it minimised America’s commitments abroad, and so kept the military budget and the role of the “government sector in the economy and society” under control (Calleo, 1987, 37-38). Taft was “anything but a primitive provincial, ignorant or uninterested in the rest of the world” and based his views on his “substantial knowledge of history and politics” (Calleo, 1987, 37-38). George Kennan also favoured balancing power as an alternative to “institutionalizing... militarism and profligacy” with organisations like NATO (Calleo, 1987, 38). The case of George Kennan is particularly instructive here given that he was one of the founding fathers of American post-war globalism. For the early post-war period Kennan epitomised liberal internationalism. It was largely his commitment to maintaining the domestic order through the balance of power that led to his conversion to ‘isolationism’ (see



Hixon, 1989). Much of America's historic isolationism, then, is rooted in concerns over the 'garrison state'. More specifically, their arguments are rooted in George Washington's advice that America avoid permanent commitments and entanglements with other major powers in order to "safeguard" the American people's "daring new adventure in government" (Schlesinger, Jr., 1995, 2). In the American mind realism and the balance of power approach have always been tied to maintaining domestic freedoms.

As for the advocates of this view, they consist of a wide-ranging combination of traditional conservatives, nationalists, farmers, protectionists, fundamentalists, unions, and businesses hurt by foreign competition. This group also crosses party lines, with prominent members found in both parties (e.g. Jesse Jackson and Patrick Buchanan). On the Democrat side, the main advocates represent the unions, minority groups, and the traditional radical left that sees the US as an "imperialistic, evil force" (Berkowitz, 1997, 301). All are opposed to "free trade and favor reducing defense spending... to increase domestic programs" (Berkowitz, 1997, 301). The Republicans are associated with "blue-collar, small-business protectionist tendencies" and practically all of the extreme right-wing groups, such as religious fundamentalists, racists and militia groups (Berkowitz, 1997, 301). Although they agree on many things, there are also significant differences between neo-isolationists on both sides, the Democrats representing the liberal, idealist side, and the Republicans representing the conservative, realist side. The liberals advocate a "non-coercive" US foreign policy based on "support for democracy, human rights and environmental cooperation abroad", while conservatives only have "disdain for foreign aid" (Dumbrell, 1999, 26). The liberals believe that the US can and should "provide a model for the world by withdrawing from" it, following the "city-on-the-hill" of America outlined above

(Dumbrell, 1999, 26). The conservative isolationists generally do not care what happens to the world if the US withdraws, as long as it does not harm American interests, narrowly defined. It is partly because of the diversity of the support base that this group has had more popular appeal than the primacy school. More importantly, though, is the fact that this group resonates with the concerns of the general public. This is a public that is turning its back on the outside world, either because it was never interested in it to begin with, or because it feels that the US has not got out what it put into the international order.

#### 2.4 – New Internationalism:

##### Consensual Globalism Resurgent, with no Coercion

This last group sees America's future role as one dedicated to "global leadership... in the management of the new global order" through the instruments of "collective defense, international co-operation and multilateral diplomacy" (McGrew, 1994, 231). Much of this vision of America's future is grounded in the belief that the end of the Cold War has finally ended the possibility of nuclear war and freed the world from power politics. Therefore, it has opened up a tremendous opportunity for the US to achieve what it set out to do after the First and Second World Wars, which is to ensure peace and prosperity for all countries, international stability, the rule of law, and the spread of democracy. The promotion of democracy is particularly important since it reduces the likelihood of war and increases the capability of international organisations to work properly. Unlike the two previous views, this is the only school of thought that takes on board a liberal view of international relations. Particularly central to this liberal ontology of international relations is the

“proposition that peace is effectively indivisible” which allows them to develop an “expansive conception of U.S. interests” (Posen and Ross, 1996-97, 23). It is through this proposition that this group avoids the narrow view of national security held by neo-isolationists, while giving the US a reason to maintain a global mission.

New internationalists argue that if the international community (led by the US) allows countries to get away with illegal wars and human rights violations, this will set a precedent that other countries may be encouraged to follow. In a bizarre twist of fate, the internet and global communications systems may actually aid this process by “providing strategic intelligence to good guys and bad guys alike”, thereby stirring up hatred and nationalist sentiment and so helping the contagion to cross borders (Posen and Ross, 1996-97, 25). The stakes become even higher once weapons of mass destruction are taken into account. The end result of all these various factors is a “chain of logic that connects” the security of the Western democracies (led by the US) to the security of the rest of the world (Posen and Ross, 1996-97, 25). If even “distant troubles cannot be ignored”, the US has no choice but to get involved on a global basis to ensure international stability and world peace. This is why the US has a ‘national interest’ in world peace and why it cannot rely on conceptions of interests that exclude the role of international organisations, since that would risk war and global instability. The hope is to repeat the successes that were made in the post-war era among the developed capitalist countries (the Atlantic community and Japan) and spread the benefits of this system to the rest of the world.

By eliminating the need for *realpolitik* concerns among the core players, the attention of these same players is diverted to the rest of the world. The Cold War led to the “emergence of a community or zone of peace among industrialised nations”, something quite unique in history given that war has been the norm of international



relations (Nau, 1994, 520). The kind of stark choice (or predicament) facing this community is summarised well by the title of a book by Max Singer and Aaron Wildavsky, *The Real World Order: Zones of Peace/Zones of Turmoil*, 1993. Unless the industrialised nations, and primarily the US, take action and take action soon, the world will divide into two, North and South. The dominant features of the South would be poverty, war and chaos, which will eventually spill over northwards through migration, refugee flows and threats of war brought about by proliferation. The views held by this school express the logic of globalism in its purest form, following on from the lessons learnt by America in the inter-war period, and expanding the global security doctrine (see Chapter 3). Their ideas represent an attempt to adapt these lessons and this security doctrine to the circumstances of the new era, finding new justification for intervention in the absence of the security threat posed by the Soviet Union.

One area of agreement between the new internationalists and the other two groups is the “implicit thesis” underlying all their views that “military power is no longer the main currency of power in international relations” (McGrew, 1994, 232, 230). Military power is being supplanted by a much more domestically grounded notion of ‘economic security’. But it is the particular (different) way that they use this shared assumption that differentiates them in crucial ways from the other two groups. They use this argument to “reject primacy because... it is no longer relevant”, given the “historical predicament” the US is in at the end of the twentieth century (McGrew, 1994, 230-231). They ground much of their analysis of America’s capabilities in the two, related, factors of globalisation and decline. Their views on decline date from the late 1980s and the debate that developed during the Reagan administration with the publication of Paul Kennedy’s book, *The Rise and Fall of the Great Powers*, in 1988.

Reagan in many ways was elected on a declinist platform, pledging to reverse decline through flexing America's muscles on the world stage. The coincidence of this approach (high military expenditure) with what Kennedy called 'Imperial Overstretch' convinced many that the Reagan policy would make America decline faster, while it gave others a political weapon to attack the whole Reagan presidency and what it represented. The new internationalists follow Paul Kennedy's logic to its ultimate conclusion, which is that hegemony can neither be "reasserted or even sustained" (McGrew, 1994, 230). They justify their view on the "unambiguous" "historical evidence" uncovered by Kennedy that any such attempt would push the US into a situation of imperial overstretch which would only accelerate the process and seal its fate (McGrew, 1994, 230).

Moreover, with the growing power of globalising forces, economic power in general is "more widely diffused in the world, amongst states and even private actors," thus ensuring that even the US cannot "control events unilaterally" (McGrew, 1994, 232). They take their damning critique of preponderance as far as producing an alternative reading of history. They have engaged in revisionist historiography aimed at completely destroying any basis for the views of preponderists. They go to the point of refuting the "notion that American hegemony... permitted the USA to impose its vision of world order on other states" (McGrew, 1994, 230)! *Instead*, they point to the common cultural heritage and ideological positions the US shared with its allies and consider them to be the critical elements behind the success of the US post-war project. They also refute the New Right account of the Reagan presidency and the Second Cold War, refusing to believe that it was his policies that destroyed the Soviet Union (McGrew, 1994, 230). The USSR fell on its own sword; the unworkability of its economic system led to this collapse, meaning that all Reagan did was weaken the

US economy and strain transatlantic relations. This is more than a historical critique, despite the fair amount of truth in it. It is an ideological critique trying to supplement its views through history. They have already made their minds up about what American policy should consist of (and so, what it should have consisted of), and then decided to select the events in history that best support their view. It is not just that they think it is impractical for the US to force itself on the world, but that they reject the whole principle of preponderance itself!

This is evidenced by the fact that the new internationalist “emphasis on US global leadership” in the post-Cold War world is an emphasis on global leadership only, “as opposed to hegemony” (McGrew, 1994, 231). Following on from what we said above about globalism, they “reject” the whole “equation of hegemony with ultimate control over global political events or outcomes” (McGrew, 1994, 230). This group also uses globalisation in a way that debunks neo-isolationism. Globalisation eliminates the viability of “selective engagement”, “unilateralism” and “autarky” – the whole package of policies neo-isolationists advocate (McGrew, 1994, 230). Selective engagement and unilateralism basically amount to the same thing, and the critique used is the same one levelled at preponderists. As for autarky (practised by America in the inter-war period) and protectionism generally, the US is now a “post-industrial economy” and “not an eighteenth century agriculture state” (McGrew, 1994, 231). Too much of America’s main industries are hooked into the global economy, making isolationism impossible. Free trade, and not neo-mercantilism, is the way forward. It is this reality that has broken down the barriers between domestic and foreign policy, pushing them together in such a way that they now operate on a circular logic where one reinforces the other. It is this that makes unilateral policy impossible because such a policy will have no muscle behind it unless the economy is



strong, which in turn presupposes a multilateral free trade order.

Even Paul Nitze, one of the authors of NSC-68, now concedes that the US cannot really separate itself from “world affairs [because] economic vulnerability has become a security issue, something upon which we can no longer act independently” (Postscript to NSC-68, 1993, quoted in McGrew, 1994, 230). This group uses globalisation as a way of determining America’s interests, via the concept of “complex interdependence” which is seen to be the dominant characteristic of the contemporary world (McGrew, 1994, 233). In this new world order the real problems facing the US “will *not* be new challenges for hegemony but the new challenges of transnational interdependence” (Nye, 1990, quoted in McGrew, 1994 232; my italics). They concluded that “multilateral diplomacy and international institutions are absolutely critical to the achievement of American goals” (McGrew, 1994, 232). They reject the ‘globocop’ role played by the US during the Cold War and wish to return to the original scheme outlined by Roosevelt which involves a form of ‘Concert of Powers’ operating within the frame of a strong United Nations (see Chace, 1992). In fact, they are so committed to this vision of management that they want to see a world order that “would require the United States to abandon any pretence to being the only superpower” (Chace, quoted in McGrew, 1994, 232)! In fact, this school has taken up globalism as an ideology, *shorn* of its realist, interest-driven content. They take globalism at face value and assume that the US did actually set out to end the threat of war in the post-Second World War era, and was not using this an excuse to impose its will on others.

On an ideological and historical level this vision is also steeped in American exceptionalism, federalism generally, and the Wilsonian tradition specifically. The federalist tradition can be seen clearly in the way Nitze describes America’s primary

purpose as lying in “protecting diversity within a general framework of world order” which will “eliminate force and intimidation” (Nitze, quoted in McGrew, 1994, 233). Protecting political diversity (sovereignty) in the overall frame of a unified political system is what federalism (or confederalism, to be more accurate) is all about. Even his words are couched in the exceptionalist tradition, likening the world project to the principles on which the Republic was founded. As for the supporters of this school of thought, they are also very diverse. The main support comes from the “bastions of the American liberal foreign policy establishment”, the liberal sections of the military, and much of the Democrat party, and some neo-conservatives (McGrew, 1994, 233). As for those who support these positions outside of the political system, the most prominent support comes from corporate America, particularly the high-tech sectors and internationally oriented businesses. Compared to the other two schools, in terms of public support, this is the most popular of the three. It does not advocate radical change but a pragmatic transition to a more orderly state of affairs with the immediate past as the point of departure, while also containing enough ‘moral basis’ to appeal to the visionary streak in the American group psyche.

### Section 3 – Conclusion:

Intellectually, the reaction of America to the end of the Cold War has been wide-ranging, diverse, and confused. At the level of policymaking the fairly smooth and consistent ideational, institutional and ideological processes that existed during the Cold War have come apart completely. At the same time the end of the Cold War has precipitated an identity crisis at both the public and private levels, where the nature of America's mission in the world, and the nature of America itself, have come into doubt and need reinventing. Out of this intellectual cauldron have come three schools of thought, grounded in different historical narratives and exceptionalist traditions, and pushed by different vested interests and class coalitions. The primacy school represents a non-consensual form of globalism, shorn of most of its ideological content, and refusing to acknowledge the major changes that have occurred in the world. The realist core behind the US global mission is the same, with the exception that economics takes on a higher profile than before. Neo-isolationism completely rejects any form of globalism, whether driven by idealism or realism. It takes a minimalist view of the national interest, and uses this view to back up its concerns to maintain America's exceptional status. The new internationalists take up the ideological side of globalism and neglect the realist, interest-based core.

In addition to setting out the ideational context that America's foreign policy intellectuals are facing in the new era, we have also provided an important historical account of how Americans generally, and the American establishment in particular, see their country. This provides us with the historical context needed to understand



the new ideas being put forward. America's political, economic and intellectual elites all know how fragile America is as a political entity, and how fluid its cultural foundations are. Moreover, they all know how the external situation effects the internal situation, and make most of their decisions with all these consideration in mind. The three schools outlined above represent different 'takes' on American history, the question of internal unity, and how the external impacts on the internal. Even though many of the intellectuals dealt with below cannot be slotted into these schools (as is the case with 'revisionism' in Chapter 5), they can all be dealt with in the broader frame of the intellectual traditions of the American Republic. History, identity, internal unity, and the impact of the external should be dominant concerns in the upcoming chapters. Also important are the details we provided above concerning the nature of intellectual activity in America, how intellectuals fit into the policymaking process, and how this effects their academic output and their definition of their role. The task now is to apply all of these insights to the thinkers we deal with in Chapters 4 and 5, while continuing the line of hegemonic analysis begun in Chapter 1, which focuses on the changing internal configuration of power. Much of the contents of Chapter 4, on geopolitics, are directly related to the positions taken by the primacy school outlined below. The three thinkers dealt with in Chapter 4 – Huntington, Brzezinski, Kissinger – are all primacy theorists, which means that their views are influenced by the positions taken by this school (see Le Prestre, 1997a). The overall shape of the post-Cold War intellectual output painted here introduces us to Chapter 5, given that our account has revealed the common position held by the three schools over the relative weight of economics vis-a-vis security in the new era, which is the subject of Chapter 5 (geo-economics).