THE AMERICAN CAMPAIGN FOR
GLOBAL SOVEREIGNTY

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INTRODUCTION

The main feature of world politics since the collapse of the Soviet Bloc has been the American state’s campaign to rebuild and expand the protectorate systems that formed the basis of American global political dominance during the Cold War. This campaign has, of course, been linked to parallel expansionist efforts by the West European states, and partly cooperative and partly conflictual attempts by the Atlantic powers to organize a new global set of political-legal regimes for reorganizing international economic relationships in ways favourable to the international dominance of American and European business. The purpose of this essay is to explore this campaign for a new protectorate system, though it will also make reference to the connection between this project and the other changes being pushed forward in the international political economy.1

I: ORIGINS AND EVOLUTION IN THE COLD WAR

When the Soviet system of military alliances and protectorates collapsed at the start of the 1990s, the American system of protectorates did not follow suit. Instead successive US administrations have sought to revivify and enlarge the American-centred systems into a framework for the structural consolidation of American global power in the twenty-first century. Many, particularly within the American security zones, had imagined that the US protectorates existed only as defensive mechanisms against Communism and Soviet power. But the Soviet collapse showed that, at least as far as the American state was concerned, this was not the case. The origins of the US protectorate system lay in the defeats of Germany and Japan and in the US-led alliance systems to ‘contain’ Eurasian
Communism. But although the protectorate system began as a means for addressing those issues, it became an end in itself for the American state. Indeed, by the 1980s American anti-Sovietism had itself become in large measure a means for preserving and reorganizing the protectorate system itself.

The Origins and Character of the US Protectorate System

The US protectorate system has covered the capitalist core: not only North America, but also the two Eurasian ‘rimlands’ of Western Europe and East Asia (Japan, Taiwan, South Korea, Australia and New Zealand). Of course, it has extended beyond these zones, but these zones were decisive. It was established in the 1950s as a set of security alliances between the United States and other states under which the US provided external and, to some extent, internal security to the target state, while the latter gave the US the right to establish bases and gain entry for other of its organizations into the jurisdiction of the state. The US was also given effective control over many aspects of the external policies (and some internal policies) of the states concerned.

One important aspect of the system was its ‘hub-and-spokes’ character which applied also in the West European NATO states: each protectorate’s primary military-political relationship had to be with the United States. Attempts by the West European members of NATO, for example, to construct West European caucuses within NATO were slapped down by the United States. This rule against intra-protectorate regional caucusing did not apply to economic politics – hence the institutions of West European integration – but it did apply in military-political affairs.

The protectorate system imposed strict limits on the external orientations of the subordinate states: they could not polarize against the main thrusts of US global policy vis-à-vis the Soviet Bloc and they were expected to respect limits laid down by the United States in their relations with Soviet Bloc countries and Soviet Bloc allies. The US could not only define the enemies of the core. It could also decide when the protectorate zone faced a state of emergency and when it did not: Korea 1950, yes; Hungary 1956, no; Cuba 1962, yes; Czechoslovakia 1968, no; Afghanistan 1979, yes; Poland 1981, yes, and so on.

At the same time, the leadership of the US over its protectorate systems gave it the right to lay down rules for each system without itself being bound by those rules: it claimed the right to invade states deemed hostile, to use covert actions to overthrow governments, to wage proxy wars, mount economic blockades, etc. etc. This right to unilateral action in breach of rules deemed harmful to important US interests applied also in the field of international political economy.

This, then, was a system of US political domination that approached political sovereignty over the way the protectorates related to their external environment in the sense of that term used by Carl Schmitt: sovereign is the power which can define the community’s friends and enemies and can thus give the community its social substance (in this case, American-style capitalism); sovereign is the power which can define a state of emergency; and the community’s norms apply
to the sovereign only in a situation judged normal by the sovereign.\footnote{Such US political sovereignty over the capitalist core was never total or absolute and at times it was gravely weakened, as during the Vietnam defeat. But it amounted to a qualitatively new type of political order for the core capitalist states.} At the same time, the protectorate system gave the US varying degrees of \textit{direct access} to the social systems of the protectorates.\footnote{US agencies could operate within the protectorate societies to track communist subversion in trade unions, political parties and the media or intelligentsia, and US media and entertainment sectors also gained large openings.\footnote{And, of course, US firms won wide degrees of access for their exports to and, often, their investments in the protectorates, whose markets were successfully opened by the US during the 1950s.}} The protectorate system was never in any sense a juridical empire or principally dependent upon international legal or institutional arrangements. The very fact that it was not, and that states retained their juridical sovereignty as full subjects of international law, was both a key way in which the protectorate system was legitimated and a very real source of the ability of the protectorates to continue to be organizing centres of national capitalism.\footnote{No less important was the fact that the internal political institutions of the protectorates were harmonized with their external orientations: in those that were liberal democracies the officially acceptable governing parties and mass media organizations were aligned with anti-Communist and anti-Soviet ideology and politics. This gave the US a capacity for mass mobilization on a transnational scale behind its main international political campaigns. Brzezinski has rightly likened this institutionalized anti-Communist political culture to quasi-religious belief systems.} 

\textit{Coercion and Consent in the Protectorate System}

The protectorate system could not, of course, have been established without the coercive occupation of West Germany and Japan at the end of World War II. But at the same time it would be a fundamental mistake to view this system, as it emerged in the 1950s, as the result of coercive diktat produced by US military superiority. The builders of the system – above all Dean Acheson in the last phase of the Truman administration – offered the key states in the system very substantial advantages. The defeated German and Japanese capitalist classes were offered the chance to rebuild their economies as regional capitalist hubs as they had been before 1945, along with re-integration into the state system, though under rather tight US political controls. France and Britain had to accept this US line but were offered other advantages of their own. Britain was allowed to try to hang on to its Empire and given important US support (in the monetary and financial field) for doing so, and was prepared to accept US European dominance in exchange. France and Italy were offered strong support against domestic Communist challenges and France was also offered the role of leading ‘European integration’ and thus influencing the revival of German capitalism, as well as support in Indo-China. Most of the elites of the dominant classes in these states accepted the US protectorate offers readily and the system remained predominantly consensual during the 1950s.
and 1960s, apart from the Suez crisis and de Gaulle’s withdrawal from the NATO military structure. Serious inter-state tensions pitting groups of protectorates against the US arose only in the 1970s.

And not only did the system offer acceptable national political strategies to the main protectorate states: it was combined with a protectorate-wide political economy regime which offered viable national accumulation strategies to match. At the same time, and very importantly, the protectorate system gained a substantial mass political basis within the protectorates, winning support not only on the centre-right but also within the social democratic movement and large parts of the trade union movements. Gaining and institutionally consolidating this base was partly the result of covert activity in some countries but it was mainly the result of the substantial economic and social gains achieved by labour under the system during the post-war boom. Such gains were undoubtedly an indirect result of the social challenge from Communism after the war. But the American economic paradigm made substantial social concessions to labour viable.

We thus have a paradox: an international political order which qualitatively weakened the foreign policy autonomy of the non-US core states and seriously compromised the internal political autonomy of some of them; but one which at the same time produced widespread consent, either active or passive, amongst a very broad and disparate range of classes in these countries. In this connection, the link between the protectorates’ external orientation and the central mechanisms of domestic political domination is particularly noteworthy. The anti-Soviet external orientation proved a very potent mechanism for combating the left internally. The parties of the right, which were the main political mechanisms for confronting working-class movements, were time and again able to use the supposed Soviet threat as their trump card against the left, and by doing so they re-enforced the structure of American dominance. These domestic political structures could also be used by the US against centre-left or centre-right state leaderships on occasion (Willi Brandt 1974, Aldo Moro 1978, etc). The domestic political structure made any kind of direct challenge to US international power difficult to manage domestically: De Gaulle could be considered one, perhaps singular, exception.

Yet the protectorate system also rested upon the American state’s coercive military capacities. Indeed this coercive dimension became increasingly important as time passed, and the capitalisms of the protectorates revived and inter-capitalist tensions increased in the 1970s. But these US coercive capacities were exerted on the protectorates indirectly: through structuring the state security environment of the states concerned, and not at all through threatening the application of US military force against any protectorate. This use of military force to shape the environment of the rest of the core has, indeed, been the secret of American statecraft since 1947. It came into operation once the states concerned had entered a political alliance with the USA against the USSR. Given that political orientation, these states quickly found their entire national
military security dependent upon the military political relationship between the USA and the USSR (and/or China). A US-Soviet war, wherever it started, could engulf their region, and if it did it could spell the annihilation of their society. They thus found the security of their state and their population lay entirely outside their own hands.

At times they feared that in a military confrontation with the Soviets the US would allow their annihilation in order to avoid a generalized nuclear war that would destroy the USA. At other times they feared that the USA’s brinkmanship might plunge them needlessly into a devastating war. And at yet other times, they feared that the US might strike deals with the enemy which would disadvantage them in some other way. But in all these scenarios the effect of US coercive power on their environment made them cleave to the USA and seek to influence it as their number one priority, and the precondition for influence was that they should be loyal and useful allies.

A second use of US military-political capacity for brigading the protectorates lay in US efforts to gain and maintain control over certain key inputs for the economies of the protectorates, above all oil, but also other strategic minerals. This involved making US political dominance in the Gulf a national security priority of successive US administrations, along with control over sea routes. This was linked to a more general protectorate dependence on the USA’s preponderant military influence over the periphery and over the routes to it, for both key economic inputs and for protecting investments and other economic links with the South.

The International Capitalism of the Protectorate System

The protectorate system profoundly altered the character of the capitalist core. In the first place, it ended the possibility of great power wars between core capitalist states. After the Suez debacle, the protectorates’ military capacities, still large in world terms, were confined to operations tolerated by the United States. This transformation allowed much more secure exchanges to develop between core capitalisms. And the internal transformation of social relations within the protectorates in the direction of the American ‘fordist’ system of accumulation opened up the possibility of a vast expansion of their internal markets, with the working class not only as the source of expanded surplus value but also as an increasingly important consumption centre for realizing surplus value. The centrality of the old imperial patterns of European and Japanese accumulation thus withered.

At the same time, after the war the American state did not try to turn the protectorates into its own capitalist socio-economic empire: it did not make a grab for the key centres of property of the defeated powers or prostrate capitalisms of Europe; and it did not destroy the capacity of other core states to act as autonomous organizing centres of capital accumulation. It merely limited the scope of this autonomy in Europe, as it sought a range of ‘national rights’ for its capitals to enter the jurisdictions of European states.11 The protectorates could still plan and organize their accumulation strategies domestically and internationally.
National systems of accumulation were organized through spinal cords of state-financial sector-industrial systems, with commercial banks (often nationalized) playing a central role as transmission belts. And they could use an array of instruments for projecting their capitals abroad.

Where the US proved sensitive and assertive in the economic field proper was in assuring its own control over the international monetary system and in preserving US dominance in what are usually called ‘high tech’ fields. That included two areas: first, key military technologies – the US has fiercely defended its own military technological dominance over its protectorate allies; secondly, control of the new leading sector technologies – those of what seem to be the new ‘infrastructure’ (capital goods) industries of the future. Signs of a Japanese edge in some of these areas in the 1980s, for example, provoked fierce hostility from Washington. Linked to this aim to control the high tech sectors has been a determination to drive the high tech sectors it controls through the whole protectorate system to ensure as far as possible that they do form the basis for the new wave of economic transformation across the core. The protectorate status – political dependence – of the rest of the core ensured that the US had great political leverage for precisely ensuring the dominance of its own capitalism in critical areas.

The US protectorate system as it grew up and consolidated itself during the Cold War was the basis for a new type of dominant global power, qualitatively different from British hegemony in the nineteenth century. The US was not the most powerful among a dispersed set of the core capitalist states: it was political master of a core ‘brigaded’ by it, and it was this relationship with the rest of the core which gave the US extraordinary global power. The basing arrangements, logistics and intelligence facilities supplied by its protectorates, and the institutionalized political alignments of the protectorates internally as well as externally, gave the US truly gigantic capacities for mobilizing massive political force, both ideational and material.

**The Reaganite Turn of the 1980s**

The great challenge to this system came with the economic and political crisis of the 1970s. The catastrophic defeat and disintegration of American military power in Vietnam was combined with a fierce competitive crisis between the main centres of the triad – the US, Germany and Japan. The US responded to the crisis with big unilateral moves to favour US capitalism against its competitors, such as destroying the Bretton Woods system and imposing a dollar system on the world. The European states attempted to establish a regional political caucus and the US broke it up; and so on.

The Reagan administration attempted a radical reorganization of socio-economic relations within the core and between it and the countries of the South, using the political structures of the protectorate system. The essence of the Reaganite programme was to encourage an offensive against labour and social rights both in the core and in the periphery, so as to strengthen the rights and power of capital in ways that would simultaneously encourage the revival of
American capitalism. The earlier post-war development models – the social democratic welfare state, the import-substitution models – were all to be scrapped. So too were the social alliances underpinning these models. Capitalist classes were offered the prospect of enriching themselves domestically through this turn, as rentiers cashing in on the privatization or pillage of state assets and as employers cracking down on trade unions, etc. And the restrictions on the international movement of capitalist property – the systems of capital controls – would also be scrapped, giving capital the power to exit from national jurisdictions, thus strengthening further their domestic social power over labour.

At the same time as these old Cold War restrictions on capitalist property rights were dismantled, capitalist states were expected to make major concessions to American capitalism. They were to support a dollar-centred international monetary system in which the US was free to manipulate exchange rates to suit its exclusive national economic strategy; they were to support the dominance of the American financial system internationally, weakening or preferably breaking the old national spinal cords of state-finance-industry linkages driving national capitalisms; and they were to open up their consumer markets, labour markets and assets to American capitals in the key areas where American capitalism was seeking to build its global dominance: finance, other ‘service’ sectors, electronics, defence industries etc. – the new ‘Uruguay Round’ agenda pushed by the Reagan administration from 1981 onwards.

This entire Reaganite turn in US national accumulation strategy was driven forward by a powerful international political campaign, which re-articulated anti-Communism. The USSR was no longer so much an expansionist state: it was an evil empire of controls on ‘freedom’, controls which also existed in ‘socialistic’ state structures in the West including social-democratic and development state structures. All such arrangements restricted the freedom of markets and crushed free enterprise with crippling taxation and other restrictions such as ‘rigid’ labour markets and the like.

But at the same time the Reaganite programme also involved strong elements of inter-state coercion on the part of the US against other core states: fierce coercive pressures on Japan using economic statecraft – driving the dollar down against the yen and brutal confrontations on trade issues; threats of theatre nuclear war in Europe, and threats of aggressive trade war there too.

The Reaganite drive was only a partial success within the core protectorate zones. It succeeded in rallying European elites to halt and start reversing the European social democratic model of capitalism; it gained free movement of capital in the core and in the early 1990s it eventually won a deal on the Uruguay Round, not least because of the new prospects for Atlantic capitals to expand outwards into East and South East Asia as well as the periphery through such a deal.

But it was also marked by failures. The American blandishments for a new rentier capitalism fell on deaf ears in East Asian bourgeoisies. And the Japanese responded to US economic warfare by both regionalizing their accumulation
strategy and acquiring leverage over US policy through taking large holdings in the US debt market.\textsuperscript{14} And Europe’s response combined the shift against the social rights of labour with a new and increasingly political West European regionalism combining the Single Market Programme with a Deutschmark zone on the road to monetary union. These arrangements combined the Reaganite (now called ‘neoliberal’) turn against labour with a defensive shield against the US dollar system of international monetary relations. There were signs of a remarkable regional alliance of European capitalisms around a common capital accumulation strategy which sat uneasily with a political system requiring loyalty to the American centre.

It is worth noting also that the US activation of the protectorate political structure in the Second Cold War produced a shattering of that structure’s mass base in Europe. In the late 1980s enormous peace movements swept Western Europe and popular opinion swung over massively towards the Gorbachev leadership of the USSR. The result was that the Bush administration lost control of European politics in 1989–90: the German government, linked to the Soviet government and riding on a huge popular wave in Western Europe, was able to forge German unification and raise the prospect of an entirely new European political system, replacing the protectorate structures altogether.

II: THE US DRIVE TO PRESERVE THE PROTECTORATE SYSTEM AFTER THE SOVIET BLOC COLLAPSE

With the collapse of the Soviet Bloc, the American policy establishment swiftly decided to struggle to preserve its protectorate system. This political decision has driven or strongly conditioned most of the major political conflicts of the last decade, from the Gulf War through the wars in the Western Balkans to the Bush campaign against ‘the Axis of Evil’.

The most blunt evidence of the US decision was the (probably officially inspired) leak of the Defence Planning Guidance document of the Pentagon and National Security Council in early 1992.\textsuperscript{15} This indicated that maintaining the protectorate system was the US’s \textit{most fundamental strategic goal}. It declared that the ‘dominant consideration’ in US national strategy would be ‘to prevent any hostile power from dominating a region whose resources would, under consolidated control, be sufficient to generate global power’. Those regions were specified as Western Europe, East Asia, the territory of the former Soviet Union and Southwest Asia.\textsuperscript{16} This could only mean one thing: stamping out autonomous regionalist challenges to the US protectorate system from the West Europeans and from Japanese or Japanese-Chinese regionalist projects. Put positively, the US was striving to preserve its protectorate systems and to expand them in a new global Pax Americana.

At the time of its appearance the document, written by Lewis Libby and Paul Wolfowitz, drew criticism from some Democrats. As Wolfowitz later explained, Senator Biden, Chair of the Senate Foreign Relations Committee, ridiculed the
proposed strategy as ‘literally a Pax Americana. … It won’t work’. But Wolfowitz adds:

Just seven years later, many of these same critics seem quite comfortable with the idea of a Pax Americana ….Today the criticism of Pax Americana comes mainly from the isolationist right, from Patrick Buchanan, who complains that ‘containment, a defensive strategy, had given way to a breathtakingly ambitious offensive strategy – to ‘establish and protect a new order.17

And Wolfowitz continues:

One would like to think that this new consensus – Buchanan apart – reflects a recognition that the United States cannot afford to allow a hostile power to dominate Europe or Asia or the Persian Gulf; that the safest, and in the long run the cheapest, way to prevent this is to preserve the US-led alliances that have been so successful …. But in reality today’s consensus is facile and complacent …. Still, one should not look a gift horse in the mouth. There is today a remarkable degree of agreement on a number of central points of foreign policy. No one is lobbying to withdraw troops from Korea, as was the case as recently as the late 1980s. No one is arguing that we should withdraw from Europe. American forces under President Clinton’s command have been bombing Iraq with some regularity for months now, without a whimper of opposition in the Congress and barely a mention in the press. Even on ballistic missile defence there is today an emerging consensus that something needs to be done – although no agreement on precisely what.18

Wolfowitz’s claim in 2000 that his central strategic goal of 1991 became the central goal of the Clinton administration cannot seriously be doubted. Anthony Lake, Clinton’s first National Security adviser, also stressed the bipartisan nature of core US strategy, declaring that ‘Political leaders may change with elections, but American interests do not’.19 In his first major keynote speech on US grand strategy Lake stressed that the fundamental ‘feature of this era is that we are its dominant power. Those who say otherwise sell America short. … Around the world, America’s power, authority and example provide unparalleled opportunities to lead … our interests and ideals compel us not only to be engaged, but to lead’. (The word ‘lead’ here is code for protectoratism.) And he continued: ‘The successor to a doctrine of containment must be a strategy of enlargement – enlargement of the world’s free community of market democracies’.20

Lake recognized that in the early 1990s the ‘community’ of ‘market democracies’ faced two problems: internal tensions over economics; and a so-called ‘military problem’, which turned out not to be a military problem at all but the following: ‘If NATO is to remain an anchor for European and Atlantic stability, as the President believes it must, its members must commit themselves to updating NATO’s role in this new era’.21 In other words the protectorate system had to be revivified.
This theme of strengthening the US alliance systems was a constant in the speeches of the Clinton administration. In 1996 Lake was still stressing ‘acts of construction on the core security issues’ and by this he meant first and foremost ‘to strengthen and broaden our core alliances as we lay the groundwork for peace in the 21st Century’. And in laying this groundwork for tackling problems around the world, these speeches are striking for what they miss out: not a single word about the UN or any force other than US-led alliances with the US, acting, according to Lake, on the following watchwords: ‘Diplomacy where we can; force where we must’. Nothing in these core concepts differs one whit from the concepts of Wolfowitz. And the guiding concepts in Clinton’s second term were no different, with Madeleine Albright from Brzezinski’s kindergarten playing a central role.

The US drive to revivify its protectorate system was, as Lake indicated in the speech quoted above, linked to a second strategic thrust: the drive for ‘economic globalization’. This was an aggressive campaign to reshape international and transnational economic relations within the protectorates, and in the ten ‘Big Emerging Markets’, in line with the perceived interests of US capitalism. In pursuing this second strand of strategy the Clinton administration announced that economics would no longer be separated from politics within the capitalist core: for the USA, economics was now to be treated as a ‘national security’ issue. As Andrew Bacevich of Johns Hopkins puts it:

> At the very heart of the Clinton administration’s approach to strategy is the concept of globalization. As a rationale for the role of the United States in the world, ‘Globalization’ today has become the functional equivalent of the phrase ‘Free World’ during the 1950s and 1960s. It contains an important truth, but vastly oversimplifies that truth. It implies mysteries grasped fully only in the most rarefied circles of government. It suggests the existence of obligations to which ordinary people must submit. It is a powerful instrument of persuasion, the rhetorical device of last resort, to which … there is no counter.

We will consider later what this second strand of strategy has been about. No one can, of course, doubt the commitment of the Bush Junior administration to pursue more vigorously than ever the maintenance, strengthening and enlargement of the protectorate system. It entered office determined to give a more activist and coercive accent to this drive at both ends of Eurasia as well as in the Middle East. After a shaky start, these goals were given new focus and impetus by September 11, which was quickly understood by the Bush administration as an opportunity, an occasion for achieving precisely what they had wanted to achieve all along. Within four days of the attack Colin Powell and Bush were agreeing that it gave the American state an opportunity to recast global relations as a whole.
III: THE SOURCES OF THE PAX AMERICANA DRIVE

Before proceeding to consider the prospects for consolidating the new Pax Americana we must briefly try to assess what its political and/or social basis is: what combination of forces does it really represent?

Demand-led Supply of Global Order

Some realist American international relations theorists have tried to argue that only the coercive power supplied by a ‘hegemon’ maintains order within the core capitalist states: without the Leviathan’s Pax Americana there will be a Hobbesian war of each against all. The Pax is thus an American burden with the US supplying the crucial ‘public good’ of order and cooperation to the system as a whole. The classic statement of this position was John Mearsheimer’s famous essay on Europe, entitled ‘Back to the Future’, arguing that only continued US dominance can prevent Europe from returning to pre-1914 style rivalries.

Yet this interpretation, though having an important grain of truth in the 1950s, had become false by the 1990s, thanks to the transformation of both European inter-state and transatlantic relations. By then, the real problem was that the collapse of the Soviet Bloc had removed the security undergirding of Europe’s protectorate status and the West European states were seriously banding together, overcoming the hub-and-spokes patterns of the Cold War security system. The fear of Wolfowitz and others was precisely that Western Europe was coming together dangerously and threatening to throw off the protectorate controls.

The core capitalist countries do indeed engage in constant rivalries to gain advantage in the struggle for shares in global capital accumulation. But they simultaneously engage in efforts to maintain cooperation to preserve arrangements that foster the accumulation interests of all. The idea that intra-core cooperation today depends principally upon protectorate structures policed by an intrusive Leviathan is propagandistic. A particular type of cooperation requires US hegemony, but there are other possible types as well.

American Political Culture

Others detect the source of the US drive for global dominance in the peculiarities of American political culture – the messianic strain in it – suggesting that the US is an exceptional (God given?) state with a manifest destiny to transform the world: the naive assumption that Americans have all the answers to all the world’s problems and that resistance to American solutions derives from evil sources.

This strand certainly does exist in American political culture. But so do many other strands that contradict these impulses to global activism, and during the 1990s these other strands have evidently been predominant within the American polity. Since 1989, American voters have been extremely reluctant to endorse any global activist agenda to consolidate a new Pax Americana. This has been a constant source of sorrow and frustration among US state elites. Only since September 11 has the electorate swung over to support global activism and
political assertiveness, and this has been based on the belief that the Bush administration is defending America. The American electorate is not aware that the Bush team is using their fear of terrorism to implement a quite different project for a new global Pax Americana of protectorates.

*The State Establishment as ‘rent seekers’*

David Calleo suggests an interest group source for the Pax Americana drive. He says that ‘America’s large Cold War military, diplomatic, financial, industrial and academic establishments naturally favoured a new age of triumphant global hegemony. But the rest of the country was not necessarily for it’. This fits with conceptions of a military-industrial complex – industrial groups and the US military along with members of Congress whose constituencies benefit from their operations.

This complex does of course exist. But so do lots of other ‘complexes’ whose bottom lines or ‘maximands’ are not directly linked to the military budget. Such groups might be expected to favour a downsizing of Big Military Government and either allocating tax dollars to other fields or perhaps slashing taxes. At the very least such a direct interest group explanation would suggest a big battle within business over the Pax Americana project. Yet that has not been the pattern: consolidating the Pax has become completely bipartisan and consensual outside small nationalist-isolationist circles around Buchanan. Calleo’s focus on the various establishments with a direct stake in the Pax does not seem sufficient. Why have the very broadest coalitions of internationally-oriented US business backed this grand strategy?

*The Relationship between International Politics and Economics*

The general answer lies in the fact that the relationship between international economics and politics is not, in fact, what it is widely supposed to be. There is not, in fact, an autonomous and general set of norm-based market rules governing international economic exchanges. The legal and institutional arrangements governing international exchanges is extremely extensive but although it is legitimated as governed by clear liberal formulae such as ‘multilateralism’ and ‘free trade’, such terms are pure ideological mystification and the rule networks are in reality thickets of policies saturated in power relations between states. And these power relations are not at all confined to relationships of economic power: all kinds of political forces are brought into play by states in the shaping and reshaping of international economic rules and regimes.

The ideology of globalization is, of course, geared to obliterating this fundamental fact. But nobody with any link to the international economic policy of the United States could be fooled by such ideology for a minute. In reality, it ‘stands to reason’ for all sections of US business with international interests that a political protectorate system must be good for the US if the costs to US business of maintaining it are not crippingly high.
The Structure of Contemporary US capitalism Depends upon the Protectorate System

But this general argument dovetails with a much more specific one: a consensus within the broad US business class and state policy-making elites that the real existing structure of US capitalism depends upon the preservation and extension of the Cold War protectorate systems in the post–Cold War world.30 A glance at this specific structure of accumulation indicates why.31

* the dominance of the dollar rests upon US military-political power. This dollar dominance favours US importers and US exporters. It enables the US to open its markets to imports from the South almost without trade deficit limit, thus ensuring that the US financial sector gains its debt repayments. The same opportunity for huge trade deficits (equivalent to over 1% of world GDP in 2000) gives the US great leverage over the economies of East and South East Asia to get them to reciprocally open their jurisdictions to US capitals.

* the dominance of Wall Street in the financial sector also rests on both dollar dominance and the fact that the US is the world’s dominant military power. This gives the US the benefit of huge flows of funds from all over the world into the US financial market and into the satellite London market dominated by US operators. In the year 2000 the IMF’s global accounts showed that the world had an export surplus with itself (sic!) of over 180 billion dollars: this represents just one part of the huge capital flight mainly into the US financial market in a single year. This brings down US interest rates, boosting the whole US economy.

* the IMF/World Bank system and the UN system operate largely as instruments of US state policy because of the USA’s role as the world’s dominant military power. These structures bring a whole host of great benefits to US capitalism, creating new proletarians for US businesses, opening a whole range of markets and doing so very heavily through lending non-American money from other core states.

* the protectorate structure gives the American state leverage to protect US ascendancy in a whole range of potentially very important areas from high tech/capital goods to energy resources and prices. It would, in principle, be possible for the other core states to launch a new high tech set of sectors on a world scale focused upon, say, new energy conservation and environmental protection industries. Such a strategic move could produce new waves of capital accumulation across the planet. But insofar as that kind of initiative does not fit with the current structure of US capitalism, US dominance over the security systems of other capitalist powers can block such bold initiatives.

If we take all these features together we can see that their loss would transform social relations within the United States. It would involve the US having to tackle its current account deficits, having to tackle its debt problems, and
ending a situation where it relies for its own investment upon sucking in finance from the rest of the world. Tackling such problems would bring American capital face to face with its own working population in a confrontation that would almost certainly result in American workers demanding the kinds of welfare protections and social rights that would make up for the impact of the downsizing of the economic perks of US power.

While interest group pressures, trends in political culture and transnational linkages between capitalist groups across the core all play some part, the current structural relationship between US capitalism and the rest of the world’s social systems is surely a critical causal factor behind the broad consensus among US elites for a revival and extension of the protectorate structures.

IV: THE GEOPOLITICAL CHALLENGES FOR A NEW PAX AMERICANA

The Problems for US Grand Strategy

The key military-political problem facing the revived protectorate project lay in Europe. The collapse of the Soviet Union meant that Western Europe was no longer dependent on the US-Soviet military relationship. That freed Western Europe from the underpinnings of protectorate status. It also opened the way for each of the main West European ‘spokes’ to link up with each other in primary security relationships rather than with the US, creating a West European caucus. The US had to try to re-impose strategic dependency on Europe, re-impose official dominance over military-political issues in Europe and re-impose hub-and-spokes structures. These tasks were far from simple given the fact that Europe might not perceive itself to be remotely threatened either from Russia (especially if its switch to capitalism was combined with strong political and economic linkages with Europe) or from the Middle East. The military-political problem was less acute in East Asia because of the US’s ability to play off rivals in the region: China-Japan-South Korea.

The second problem for the US lay in the fact that the whole structure of domestic class political relations within the protectorates tended to re-enforce US hegemony during the Cold War but did not necessarily do so after the Soviet Bloc collapse. During the Cold War, Centre-Right parties fought the Left on the basis of anti-Sovietism and anti-Communism and thus mobilized their domestic social constituencies in ways that fitted in with the overall leadership role of the United States. A large middle-class constituency in the protectorates and their peripheries was thus predisposed to accept US international campaigns articulated through anti-Soviet and anti-Communist themes. With the Soviet collapse, the US lost a powerful undercurrent of transnational socio-political support for its international military-political manoeuvres. US actions violating its own declared rules of international order, which had been tolerated by large transnational constituencies during the cold war, could face serious legitimation problems in the new situation. And this was, indeed, a problem within the USA too until September 11, 2001: there was no readiness on the part of the US electorate to
support a sustained global military-political assertion of power by the US state, and this restricted the scope for large-scale US power-plays.

The third general problem for the US lay in the economic field: if the US was trying to rebuild its protectorate system in the context of economic tensions and rivalries within the capitalist core, the erstwhile protectorates could view the attempt to re-establish the protectorate arrangements as part of an attempt to impose new form of exploitative domination over the core. Or to make the same point the other way around, the other core states would desire to throw off protectorate status, or at least to attenuate it, in order to be able to assert themselves more strongly in the field of economic rivalry. In this area of relations the USA was fortunate in facing few acute economic conflicts with Europe, especially once the ‘Uruguay round’ deal was achieved. Its really big economic target was East and South East Asia where there was a very serious economic problem for the USA: the great economic growth there was occurring in political economies whose assets and markets were very difficult for US capitals to dominate. Clinton’s ‘globalization’ strategy was principally targeted at opening up these economies to US capitals and opening their financial systems to the US. If this problem was not addressed it could lead to another: growing regionalizing tendencies there, with the nightmare scenario lying in China and Japan creating a single regional economic zone. The US thus chose to begin with an aggressive, assertive push to reduce Europe once more to protectorate status, while focusing on the economic problem in East Asia, downplaying the military-political dimension of operations there until after the East Asian crisis of 1997.

The point about US military-political statecraft is fundamental. When the US uses military action it always has political goals. But it is a fundamental error to assume that the main political goals behind the action are concerned with reshaping political relations with the manifest military enemy. Indeed, that part of the political goals may be trivial compared to the way the military action reshapes political relations with protectorate ‘allies’. The failure of political analysts to grasp this basic point has often blinded them to what has been going on in contemporary world politics.

**Western Eurasia and US Statecraft**

The collapse of the Soviet Bloc created one immediate overwhelming political beneficiary: the uniting Federal Republic of Germany. In 1989-90 this caused something close to panic in Washington. The Bush administration toyed with trying to keep the Soviet Bloc in place. There were fears that the Kohl government would go for a German-Soviet redevelopment of East Central Europe – the so-called Herrhausen Plan, although the assassination of Herrhausen (and the attempted assassination of one of the plan’s supporters, Lafontaine) led Kohl to abandon the project. There was also the threat of ‘Genscherism’ – the construction of a pan-European peace and collective security order including the Soviets which would end Washington’s political dominance over Europe. But Gorbachev was too focused on the Soviet-US ‘partnership’ to consolidate this concept, and the Gulf War followed by the Soviet disintegration buried it.
The danger for Germany lay in its West European neighbours ganging up against it in a common front with Washington – the line urged in 1990 by the Thatcher government in Britain. But President Mitterrand took a different course, judging that French power in Europe and internationally could be maximized only as Germany’s partner. This choice (challenged by some sectors of French elites) was reinforced by the crucial fact that France and other continental states had already chosen to harmonize their capital accumulation strategies with Germany’s through both the construction of a Deutschmark zone and the Single Market programme – the combination forming a neoliberal path: anti-inflation, welfare state downsizing, and restructuring through unemployment. All these elements were combined with a revived political Europeanism. This emergent EU as a political concert of European capitalisms was in place when the Soviet Bloc collapsed. (Britain was at this time in limbo and confronting a crisis of national strategy which has really continued throughout the 1990s.) Mitterrand believed that France’s role on the UNSC and its military intervention capacity could give it a leading political role as a regional power in alliance with a Germany which led the European concert in the political-economy field. And this approach was necessary for Germany to prevent its European neighbours ganging up against it after unification and to ensure that the East Central European states bordering Germany and Austria were drawn towards Germany (through EU mechanisms of course) in secure ways. For Germany the key to all this was the link with France.

Thus, the Franco-German-led EU concert held together and sought both to strengthen the political dimension of the EU and to project its political (as well as its economic) influence eastwards. Put another way, France, Germany and other EU states sought to make their political relations with each other at least as important as the relations of each with the United States. They were moving to replace the Cold War protectorate system of hub-and-spokes subordination to the US with a West European political caucus and to give that a relatively autonomous role in power projection eastwards.

None of this was, of course, remotely motivated by a desire to mount a direct challenge to US economic interests: the EU has continued to be rather accommodating to these. Even more important, the West European capitalist leaderships shared and valued the general, transnational class line of the US international business coalition: ‘globalization’, downsizing social rights, flexible labour markets, states can’t control capital, etc. The European concert only wanted more collectivity, more autonomy, more autonomous political influence eastwards, along with a currency zone and a political definition to match.

But it was, in fact, a very grave threat to the entire US protectorate system for Europe, threatening to wither away NATO and US military-political dominance over Europe. The result is that since 1991 European international politics has been largely dominated by the USA’s efforts to reassert its military-political control over Western Eurasia and to reimpose a hub-and-spokes protectorate system, and by West European states’ counter-manoeuvres.

We have not the space to survey these battles in detail here. They have been
fought out mainly in the Western Balkans. In 1991 the Bush administration thought the EU would split down the middle on the Croatian war. Instead Mitterrand and even Major rallied behind the German position in December 1991. The Bush administration fought back by encouraging the start of the Bosnian war and then by sabotaging the efforts of the EU to lead the process of restoring peace. Finally the French capitulated to the Clinton administration and thus to the idea that the US should lead through NATO on European military-political affairs. The French then sought entry into NATO’s military structures on the basis that the European states should be allowed to coordinate their military activities in the Mediterranean and should have a political caucus within NATO. The idea of such a caucus was backed by other West European powers including even the British in 1996. The Clinton administration repudiated such ideas. This led to the Franco-British St Malo declaration involving a direct EU military political role parallel to (though in some kind of relationship with) NATO. The US responded by successfully manoeuvring the West European states into the NATO war against Yugoslavia. The war was very nearly a debacle for NATO and the USA. And immediately after it, the West Europeans feverishly set in place the European Security and Defence Policy involving EU military planning by the general staffs of the West European armed forces and a range of other military-political caucus activities.

In short, ten years of US manoeuvring had not re-imposed the hub-and-spokes protectorate system on Europe. NATO had acquired, in effect a, European caucus, presenting the US with common views on a range of issues. The US response, under Bush Junior, would be to try to sideline NATO as an institutional structure for the War Against Evil, forcing each West European state into a bilateral hub-and-spokes relationship with the US for what the Bush administration hoped would be the new campaigning form of its global protectorate politics.

At the same time, during the 1990s the US achieved what seemed to be one great victory in Europe: it benefited from its Bosnian victory to expand NATO aggressively eastwards towards Russia, thus polarizing Europe versus Russia, notably over the NATO war against Yugoslavia. It simultaneously made NATO the dominant military-political institution of Europe as a whole, excluding Russia. And this exclusion of Russia, turning it potentially hostile, made a future confrontation with it seem possible. This in turn raised the possibility that Europe would once again feel threatened by Russia and thus in need of US military capacity. In short, Europe could return to its Cold War condition of being dependent on the US-Russian strategic relationship.

Or could it? What if Russia remained on the capitalist road, maintained and developed its liberal democratic system and revived economically with a strong political orientation toward Europe (Germany) as against the United States? Paradoxically, German acquiescence in NATO enlargement and in the US war against Yugoslavia could result in a Russian-European linkage. And what political substance could NATO have as an instrument of US power over Europe if Russia could not be ‘enemy-ized’?
The US-Russian Relationship

Until 1998 Washington was the dominant influence within Russia and the Clinton administration’s policy of a ‘strategic partnership with Russian reform’ gained victory after victory, successfully urging Yeltsin into confrontation with the Russian parliament in 1993 and working to defeat (through electoral fraud) the still powerful Russian Communist Party. Within this political alliance, the US Treasury established an extremely close linkage with the Chubais clan to do no less than redesign the social relations of Russian economic life and build the new social oligarchy of Russian capitalism, in a close umbilical relationship with US capitalism.33

This extraordinary political success not only had devastating effects on the lives of the Russian people and precipitated a collapse in the power of the Russian state: it also enriched Western financial operators with the shift of tens of billions of dollars’ worth of property into London and New York. And it was combined with the Clinton administration’s ability even to gain the Yeltsin government’s acceptance of NATO expansion into Poland in 1997, and to pursue an evidently anti-Russian policy in the Caucasus – a remarkable political achievement.

Yet the Clinton administration proved incapable of following through on these extraordinary triumphs. In the midst of the global financial panic of 1998, the US government was unable to prevent both the collapse of the rouble and the Russian government’s repudiation of its government bond debt. The small, economically fragile and pro-Western emergent Russian middle classes faced crippling economic losses. The NATO war against Yugoslavia of 1999 then produced a strong and deep swing of all sections of Russian public opinion against the United States.

Thus, by the time that Bush Junior entered the White House, the US had been unable to find a stable basis for either making itself the key partner of Russia or for polarizing Europe against Russia. Instead, if has found itself in a competition with Europe for Putin’s support. Putin’s endorsement of Bush’s ‘war against terrorism’ has been combined with a Russian drive to gain effective membership rights within NATO, a bid backed not only by Germany but by a Blair government proposal that would have given Russia membership rights on some areas of NATO policy. The Bush administration blocked this and the May 2002 NATO-Russia agreement still essentially keeps Russia an outsider in European politics. And the Bush administration’s attempt to offer Russia a national strategy which would privilege its relationship with the USA remains fraught with difficulties and obstacles in the energy field, in Eastern Europe and over the Caspian.

The East Asian Theatre

It is difficult to exaggerate the stakes in the US battle to reshape political and thus socio-economic relations in East Asia. These societies, in European terms ranging from large in the case of South Korea to huge in the case of others, have the potential to become the central region of the world economy. The task of
US strategy is to prevent China from becoming the centre of a cohesive regional political economy while simultaneously attempting to transform China in ways that will make it structurally dependent upon the USA. All the resources of the American state—economic statecraft, military statecraft and ideological instruments—will be mobilized for this battle in the coming years.

One strand of US strategy must be to foster the internal destabilization of the Chinese state in order to produce a regime change. The terms of China’s entry into the WTO may be viewed in this context, particularly the requirement that China open its agricultural market to foreign competition. This could place huge pressure on the Chinese peasantry and generate sharp internal social conflicts. A second thrust will, of course, be directed against China’s state enterprises and the working class within them, and a third thrust will involve trying to open China for financial/exchange rate warfare on the model of the hedge fund strikes during the East Asian financial crisis.

At a regional level the US is attempting to push Japan into strong regional competition with China, with Japan doing the work of pulling much of South East Asia away from Chinese influence. But it remains far from clear that the Japanese state will accept these US buck-passing efforts. The possibility of Japanese capitalism developing an increasingly strong linkage with China, and the two states reaching agreements on regional preferential trade arrangements, cannot be ruled out. The Japanese social system is thus drifting in both internal and external gridlock and presents both the US and the region with one enormous question mark. Meanwhile the Chinese government pushes forward its regional integration strategy, gaining strong support not only in ASEAN but also, for example, in South Korea, whose Chaebols, fighting for their existence after the US strikes of 1997, could view links with China as a path to their salvation.

US coercive military pressure on China will supplement these thrusts, pushing the Chinese state towards an arms race which imposes strong budgetary strains on the state, decreasing its room for manoeuvre on the domestic social front. The Bush administration evidently wants to supplement this military pressure with confrontational brinkmanship over Taiwan and North Korea. But for a ‘contain China’ policy on the part of the US to work, Washington would have to be able to swing not only the rest of East Asia but also Russia and Western Europe behind such a drive. And this remains to be achieved. No one can safely predict what the outcome of these confrontations will be, but they will undoubtedly leave a huge mark on world politics in the first part of the twenty-first century.

The Middle East

Control of the energy belt from the Middle East through to the Caspian is a cardinal task for the construction of a new Pax Americana. In this context it is important to stress that such US military-political control is an exclusivist project: it entails the exclusion of strong West European, Russian or East Asian influence in the region. At the same time US control over the energy belt gives it an enormously powerful lever for resubordinating both Europe and East Asia.
Washington has not, up to now, considered that its control in this region is best secured by resolving the conflicts in the Middle East. Quite the contrary: US ascendancy has been secured on the basis of manipulating the Israeli-Palestinian and Israeli–Arab conflicts as well as by manipulating other conflicts within the Arab world. By maintaining and buttressing Israeli power, it has made Israel a threat to other Arab states and has thus been able to act as what might be called a ‘hegemonic broker’. Only the US has the military-political capacity to restrain Israel. The West Europeans and others are marginalized. And the US has also been able to act as the guardian state over Saudi Arabia and the Gulf in the face of threats to these states from Iran and Iraq.

But since the mid-1990s its Machiavellianism has led the US into a strategic morass. It was outmanoeuvred by the Iraqi government, was unable to gain an international political base broad enough to launch a new war to crush the Iraqi state, lost control of the Israel-Palestinian conflict, and produced mass popular hatred in the Arab world over its support for Israel and its exterminist blockade of Iraq, involving the killing of hundreds of thousands of women and children. And the political base of the US in Saudi Arabia has been steadily undermined both by these policies and by the Saudi regime’s own extremist Wahabi ideology.

Thus by September 11, 2001 US policy in the region was adrift and almost entirely isolated internationally. The Bush administration has been attempting to use September 11 to launch a new military-political offensive to regain a more secure position in the Middle East. To achieve this it has set its sights on a war to overthrow the Baathist regime in Iraq. This is a perilous undertaking: the US risks an explosive upheaval in the region involving uncontrollable conflicts. Such an eventuality could set back the drive for a global Pax Americana in a decisive way. And a US military victory over Iraq would risk sucking the US into protracted manoeuvres within the area to restore stability.

Where the US campaign since September 11 has achieved remarkable breakthroughs is in Central Asia and in Georgia. With new bases in Uzbekistan, Tajikistan and Kyrgyzstan, and with the introduction of US military forces in Georgia, the US has dramatically strengthened its efforts to gain predominant influence over the Caspian vis-à-vis Russia and Iran. It has also acquired new bases on China’s Western flank, thus greatly strengthening its geostrategic capacity vis-à-vis China. But the costs of these advances may also be heavy: the Bush administration has failed as yet to stabilize a new state in Afghanistan, it faces a dangerously unstable Pakistan and has contributed substantially to the sharpening of tensions between Pakistan and India.

Thus the whole vast region from the Eastern Mediterranean to India and China has become a fluid and explosive zone in which the US is being continually challenged to demonstrate its power, to try to manage inter-state tensions or conflicts and to maintain a whole series of often shaky political regimes allied to US interests. And it has to handle all these problems without risking direct engagement in attempting to control populations on the ground militarily – an operation which
risks the US getting bogged down in the type of military-political conflict it cannot win.

V: THE US CAMPAIGN AND CAPITALIST WORLD ORDER

For all the American ideological stress on free market capitalism and ‘economic globalization’, then, we find that the American state, backed by its business class elites, has been engaged during the 1990s in increasingly feverish and increasingly militaristic geopolitical manoeuvres to reconstruct the inter-state system as a means to anchor the dominance of US capitalism in the twenty-first century. And its preoccupation with re-engineering patterns of inter-state relations clashes with other fundamental realities of contemporary world politics. Two of these realities need stressing: (1) the fact that world politics in the modern world is transnational mass politics as never before, and that consequently the legitimation of power politics matters; (2) the fact that there are urgent objective issues on the agenda of world society which any political force aspiring to global political leadership needs to address.

On all these fronts, the United States is facing one defeat after another. Paradoxically it is the West Europeans who have hit upon a serious set of ideas for managing these problems, but their ideas clash with the US protectorate project.

Mass Politics and American Military Power

Every military thrust or threat by Washington in its geopolitical manoeuvring attracts the political attention of hundreds of millions of people around the world. Movements of opinion and action at a popular level and with a wide geographical reach have now stretched to unprecedented scope; in the last hundred years the problems of maintaining order and control over populations have become very much more complicated, even if the resources of states for managing their populations have also become more sophisticated.

American military power is incapable of directly controlling populations in the countries of the South, never mind anywhere else. The US must rely upon other states to control their populations. And for these states to carry out that task they have to find political bases for doing so, involving the organization of loyalty rather than naked force. But each American campaign throws these mass loyalty structures at a state level into turmoil. Sometimes this turmoil is pro-American, as was the case in much of Western Europe during the Kosovo war. Sometimes it is anti-American, as in the Muslim and Arab worlds over the Bush-Sharon axis against the Palestinians in 2001 and the first quarter of 2002. But each American campaign is legitimated in different ways from the previous one and seeks different kinds of appeals to different global political constituencies. Principles invoked for one campaign are flagrantly contradicted in the next. Time and again, the efforts of states to gain popular support for one US campaign are undermined by the next US campaign.

Thus in the 1990s US geopolitics has rapidly undermined its own global mass
base all over the world, and at this level it has sharply diminishing returns. And this affects not only popular attitudes but the state security concerns of many states, given the fact that their state security is centrally concerned with retaining bases of popular loyalty. The mass mobilizations in the Arab world against the Bush–Sharon axis had exactly this effect, shifting the policies of the Arab states, and this in turn threw the Bush campaign against Iraq onto the defensive, at least momentarily. The American use of a war crimes tribunal as a tactic in its Bosnian manoeuvres, and its legitimation of its war against Yugoslavia in 1999 as a ‘humanitarian war’ for human rights, was used by the West European states to push forward their idea for a International Criminal Court, an initiative viewed by Washington as a threat to its own military statecraft.

The response of US leaders to these ‘blow-back’ effects, and to the rapid shrinkage of its global mass political base has, under the Bush regime, been to attempt aggressive gestures of defiance. At the same time it increases pressures on the US to lash out with further military thrusts to prove that it is not intimidated by popular hostility.

All the various aspects of the centrality of mass politics come together in the way in which the US has been relating to international institutions, such as the UN Security Council, the international financial institutions, the WTO and bodies such as NATO, as well as a host of international treaty regimes. Time and again it has simply flouted the institutional norms and rules of these bodies in order to impose its will. This undermines the legitimacy not only of the United States but also of these institutions themselves. And given that these institutions are overwhelmingly designed for protecting the interests of the major capitalist states and their economic operators, US policies are tending to conflict with the collective interests of major capitalist centres.

The Transnational Political Agenda and the US Campaign

The US’s military-political campaign has also been combined with an increasingly prominent tendency to oppose, weaken or largely ignore a whole range of global political and policy issues of varying degrees of importance or urgency for other states and for transnational social coalitions. It has been systematically undermining or seeking to weaken a whole network of arms control agreements from the Test Ban Treaty to the ABM treaty, conventions on chemical warfare, landmines, small arms and so on. In the field of international monetary and financial relations it has resisted efforts by the other main capitalist states to stabilize the main exchange rates or to reform the financial architecture to reduce the threat posed by large movements of hot money. Despite its own evident gains from the existence of the WTO, it has made little effort to play an international leadership role within that body, using it instead for short-term and often rather narrow domestic constituency interests. And on issues such as the environment, global poverty and debt, as well as AIDS and the fight against racism, the US has been quite incapable of presenting itself as a global leadership force. Instead it has been increasingly inclined to treat international conference diplomacy on these issues with hostility, or as damage limitation exercises.
The only rationale for this approach to international political management would seem to be that US administrations believe that by using their coercive instruments to pull other major states under their influence they can undermine the social forces taking up these kinds of political issues.

*The European Concept of Ultra-Imperialist Hegemony and the US Response*

Washington has found itself confronting a fairly coherent set of concepts put forward by the West European states for consolidating a new form of Atlantic/OECD hegemony over the populations and states of the world. The big European idea involves using the structural forms of law that have evolved in the capitalist era as the central instrument of a new hegemony.

Capitalist legal forms have had a binary character, involving a division between municipal (domestic) law and international public law. International law recognizes the juridical sovereignty of states. This implies that states cannot be bound by any legal rules which they have not voluntarily accepted through signing and ratifying international treaties or through ratifying their membership of treaty-based international organizations. At the same time, sovereign states are free to design their municipal domestic legal frameworks as they wish. But these legal forms also contain the idea that when a state does subscribe to an international treaty, its obligations under that treaty trump its own municipal law.

It is this rule which the EU states have picked up and have used as a powerful instrument for socio-political engineering within the EU zone itself. In the past states confronted with this rule had typically been very careful to ensure that their adhesion to international treaties would not restrict their domestic freedom of action to redesign municipal law as they wished in line with changing domestic social balances and requirements. But the Treaty of Rome that founded the EEC in 1958 was highly unusual in taking the form of an international treaty whose substance focused heavily on the regulation of domestic socio-economic legal and institutional arrangements. Inter-governmental negotiations by the executives of EEC member states could produce laws about domestic matters which trumped existing domestic law and which could not be overturned by domestic parliaments. For almost thirty years, the EEC member states did not actually make very much use of this mechanism. But in the 1980s, as they turned towards neoliberalism, the member states began to use it very aggressively and in its strongest form – that of new laws with *domestic* application created by inter-governmental treaty revision conferences of the member states: the Single European Act, the Treaty of European Union (Maastricht), Amsterdam and Nice. The substance of this regulatory effort was directed mainly at class relations within each member state in the field of economic and social policy: anchoring neoliberal policy and institutional frameworks and dynamics within each member state in ways that could not be overturned by parliamentary majorities in any of them.

This principle was then offered by the EU states to the US administration in the Uruguay Round: constructing the WTO as a treaty-based regime which would then trump the municipal law of states adhering to the WTO – locking
them in, so to speak, to the open door provisions of the WTO on services as well as trade issues, monopoly rents on intellectual property rights, etc. But this mechanism can be extended far more widely and can be used to lock in states and social formations across a whole range of issues for the kinds of open door regimes that favour the penetration of Atlantic capitals. And the mechanism can be extended beyond political economy issues. Indeed, from the start of the 1990s, the EU has used the mechanism to push forward the reorganization of state political institutions with its Human Rights, Democracy and Good Governance diplomacy. Presented as a juridical method, rooted in a set of ethical norms, this form of diplomacy has actually proved a potent form of power politics. When target states resist EU economic policy goals they can be hit by HRDGG diplomacy, while target states compliant with EC economic objectives can be treated gently in the HRDGG field. This diplomacy thus buttresses EU economic imperialism and legitimates the EU domestically, and at the same time can be used to strengthen the juridical systems of target states so as to provide predictable environments for EU capitals. Last but not least it helps the EU overcome the fact that it is not a democratic structure by making itself an instrument for imposing and invigilating democracy elsewhere!

At the same time, the EU backs such diplomatic instruments with an array of instruments of economic statecraft (above all the granting or denial of market access, a ladder of economic sanctions and aid programmes, sponsorship in the IFIs, etc). And for the EU the ultimate sanction could be the military one, in which the US would play a leading role. Of course this repertoire of instruments is efficacious not only as a means of coercively imposing relations of dominance over target states: it also offers ways for the capitalist classes of the target states to strengthen their own domestic positions in various ways. But the power relation is nevertheless crucial, and it enables the metropolitan centres to expel all kinds of internal problems outwards.

This repertoire of instruments is then offered by the EU to the rest of the OECD world as the kernel of a collective world order project, anchoring the dominance of the richest capitalist countries over the globe for the twenty-first century. But for the EU states such a project would have to be based upon collegial global bodies within which the leading capitalist states would haggle over the precise positive law content of the various legal regimes to be imposed upon other countries. And while the social substance of the regimes would be that of a G7 world order, the main West European states want the (American) use of aggressive military force to be under the discipline of the UNSC. They have carefully ensured that the International Criminal Court does not consider aggressive war against sovereign states to be a war crime or a crime against humanity of any sort. Indeed the EU states support aggression against states whose internal arrangements the EU opposes. But they want such aggression to be sanctioned politically by the UNSC.

Thus the West European concept of a new world order would be a potently coercive one directed to transforming domestic jurisdictions, polities and
economies throughout the world. But all the coercive instruments would be legitimated by law.

CONCLUSION

For the American state, this EU project is perceived as a major threat to American global dominance. The entire regime offered by the EU is acceptable only as a sub-system above which stands the American eagle untrammelled by the regimes beneath it to which others may be chained. Under Clinton and Bush Junior the US has therefore exerted increasingly intensive efforts to pressurize or even threaten West European security interests to bring the region back to protectorate status.

The conflicts around these issues are now intensifying. As they do so, various parts of the left, both social liberal and socialist, are beginning to draw together to build a new road forward towards a different kind of world order. The anti-capitalist globalization movement has thrown down a very significant challenge to the ultra-imperialist project of West Europe and, with its added super-imperialist twist, of Washington. The intervention of young peace activists challenging Israeli guns and breaking the siege of the Church of the Nativity with food packages was an inspiring demonstration of real political force. The capacity of gigantic state military force to reshape international politics through terrorizing populations is often underestimated by the Left. But the capacity of popular mass movements to resist and defeat such bureaucratic-technological terror is often underestimated by the Right. It seems that this is a lesson which the American state will yet again have to learn, hopefully before it has plunged, by blustering blunder or by design, millions into the horror of further wars.

NOTES

This is a rewritten version of my Deutscher Memorial Lecture in November 2001.


4 The US was never, for example, formally a member of the GATT: the Senate never ratified US adhesion.

8 Comparative research on the differentiated extents of US penetration in different protectorate societies still remains to be done but it seems likely that the degrees of penetration varied greatly.
11 ‘National Rights’ in this context means that US economic operators gain exactly the same legal rights to operate within a national jurisdiction as the national operators within that state.
13 As Robert Gilpin has pointed out, West German dependence on US political and military support in the 1960s was crucial in enabling the US to ensure that its businesses were able to establish operations in the Federal Republic in order thereby to become a major force within the European Economic Community (Robert Gilpin, *The Political Economy of International Relations*, Princeton: Princeton University Press, 1987).
15 The obvious motive for the leak was to warn the Europeans of the strength of the US will as Washington drove forward its campaign for an independent unitary Bosnia and thus for a Bosnian civil war just after the triumph of German diplomacy in gaining EU backing for an independent Croatia and Slovenia. On these issues see Peter Gowan ‘The Western Powers and the Yugoslav Tragedy’, *New Left Review* 234 (May-June), 1999. On the general debate in US elite circles on grand strategy after the Cold War and on the dominance of the groups advocating US ‘primacy’, see Barry R. Posen and Andrew L. Ross, ‘Competing Visions for U.S. Grand Strategy’, *International Security*, 21(3) (Winter), 1996/97.
17 Wolfowitz, ‘Remembering the Future’.
18 Ibid.


21 Lake ‘From Containment to Enlargement’.

22 Ibid.

23 Ibid.


27 John Harper of the Paul Nitze School of International Studies makes essentially the same point: ‘Stripped to its bare essentials, the post–World War II transatlantic relationship has been an American protectorate, invited and to an extent shaped by the Europeans themselves. The protectorate has served a double purpose: promoting peace and harmony among the Europeans as well as counterbalancing Russian power’ (John L. Harper, ‘Bush and the Europeans’, SAISPERHE, Paul Nitze School of Advanced International Studies, John Hopkins University, 2001).


32 This was stressed in the famous 1991 national security document written for the Bush administration by Paul Wolfowitz and Lewis Libby. For more on these issues see Peter Gowan, ‘The Twisted Road to Kosovo’, Labour Focus on Eastern Europe, 62, 1999. See also Paul Cornish, Partnership in Crisis. The US, Europe and the Fall and Rise of NATO, Royal Institute for International Affairs and Pinter, 1997.