

THE PROJECT-STATE
AND ITS RIVALS

The Project-State and Its Rivals

A New History of
the Twentieth
and Twenty-First
Centuries

Charles S. Maier

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For Anne

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Preface

This work arose as an effort to make sense of the political and economic transformations of our time. This can be a treacherous ambition: the historian's present is always changing and at times drastically. I was born a half year before World War II began in Europe. As a young but politically aware observer, I lived through episodes of the Cold War, then forty years later witnessed what seemed to be its sudden and surprising conclusion. Leave aside the digital revolution or the changes in medical science that have transformed all our lives, my adult lifetime has seen the vigorous postwar recovery of Germany and Japan, the peak of US economic and international primacy, and the legal (if not socioeconomic) dismantling of its racial hierarchies; in recent decades, the stupendous rise of Chinese national power; and, even as I send this manuscript to press in my eighties, the Russian effort to reconstitute the imperial hold it formerly exercised in Eastern Europe.

This book, however, focuses on developments that do not always spring to mind as constitutive of our times. I believe nation and territory and cultural specificities provide important coordinates for structuring historical narrative, but this book does not emphasize these markers. It is not a general survey of world history, nor a history of the nation-state system and its conflicts, nor a story of celebrated and infamous leaders, important though they have been. It bypasses the military history of the great wars, the genocides, and the development of regimes that brought early death to perhaps 200 million people of the 11 billion or so who lived during a part or all of the twentieth century. Instead, I have tried to illuminate other conflicts and forces that have successively shaped or, perhaps more precisely, allowed the evolving political outcomes of the twentieth century and the first quarter of the twenty-first.

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To this end, I propose collective protagonists that are different from the heroes and villains many histories follow. I focus first on “project-states,” both democratic and totalitarian, with ambitious agendas for transforming political institutions, civil society, and even mentalities. Second, I examine “resource empires,” lingering formally until the 1960s and thereafter bequeathing international legacies of racial and economic inequality that still remain powerful. Third and fourth, the book discusses the transnational domains of “capital” and of the organizations supposedly devoted to disinterested “governance.” My account of the last hundred-some years thus seeks to follow the evolution and changing weight of these four collective agents, sometimes working against each other, sometimes in tandem. This does not mean that our older historical categories such as democracies and dictatorships are invalid or obsolete. This is hardly the case. But reframing long-term categories of historical analysis can provide a more comprehensive sense of the changes under way for a century or more. I have felt challenged, I must confess, by Montesquieu, who argued in the mid-eighteenth century that the laws—by which he also meant institutions—had to be consistent with each other; that when one changed all must change; and that their underlying relationship was what he called “the spirit of the laws.”¹ I have tried to account for our new spirit of the laws.

Are there lessons to be learned from this history? Can it be “applied” or provide us guidance for the present? My view of a historical work is that besides conveying information about the past, it should most importantly enlarge the world of the reader, somewhat as listening to a fine musical performance enhances the listener. It should provide an awareness of connectedness and difference, analogy, complexity, regularity, and contingency. Perhaps it makes readers better able to confront the policy decisions they must face; perhaps it instructively illuminates past shortsightedness, but it cannot predict which alternatives will yield success. As John Stuart Mill recognized in *A System of Logic*, it takes only one altered variable among many to make the present differ fundamentally from the past.

Still, I do think there is a lesson that this perspective on the past can provide. It is that an active project-state, an innovative economy, and disinterested governance need to remain in some balance: Without alternate sources of political agency, the project-state alone can become abusive; excessive rewards to capital will corrupt; and the prescriptions of rational governance alone remain feeble and often unaware of self-interest that may have motivated their prescriptions. The remnants of empire and the decay of republics suggest,

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I believe, that societies cannot sustain good government if inequality exceeds certain boundaries; but that belief is admittedly a political one, and what those boundaries are is difficult to say. I tend to believe that institutions of governance play a generally beneficial role and deserve the authority they claim particularly in view of the climate change that challenges us all. Nonetheless, as my last chapter suggests, the claims of governance and expertise can produce their own backlash, and accommodating them in a democracy is a difficult task. In any case, if a reader wants guidance from the past outlined in this book as well as an interpretation, these rather commonplace suggestions would be my offering.

This work does not aspire to be an encompassing narrative of global developments since 1900 or even 1914. My own long-term research has centered on Western Europe and to a degree the United States, and I have focused on these areas at the expense, most likely, of doing justice to significant currents of thought and political aspirations that emanated from Latin America, Asia, and Africa. Moreover, while this book draws on my own historical reading and teaching for more than half a century, it does not claim to rest on direct immersion in the archives that exist for the countries and institutions discussed even when I have the language capacity. It does cite primary sources at points where I have undertaken previous research (findings that went into specialized articles and essays), but it rests more on the monographic investigations of other scholars. To turn around the old statement about standing on the shoulders of giants: I for one see further because I stand on the shoulders of my graduate students, past and present, and other young researchers. In my citations, I have tried to privilege recent scholarship, which often productively revises and amplifies older classic accounts. Of course, I have read and can cite only a selection of all the works that have been produced on the developments under study. By and large, I do not cite general historical works that have provided narrative background even though some are very valuable.

I realize as I end this book that I am completing a series of works that have focused on the development of modern states. I never intended a trilogy, nor would I describe them as such. The earlier books, *Leviathan 2.0: Inventing Modern Statehood* (2005) and *Once Within Borders: Territories of Power, Wealth, and Belonging since 1500* (2015), focused on the links between territory and statehood while this current book attempts to analyze the state as one actor among other collective agents that shape political and economic developments. This should not imply that I have abandoned geopolitical concerns,

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but they are not the path to historical reconstruction chosen here. Still, many of the themes link up to my statement “Consigning the Twentieth Century to History” of the year 2000 and my first book, *Recasting Bourgeois Europe*, of almost half a century back. Perhaps like an old dog, I have dug up and gnawed on bones I forgot that I had buried.

Still, in other ways this book revises my earlier work. Implicitly it subordinates many of my long-standing concerns with the legacies of Nazism, Italian fascism, and Communism. I certainly do not want the concept of the project-state to be read as erasing the difference between lawful democratic regimes and repressive governments, or the distinctions between left and right regimes from each other, as usually understood. Project-states have served as a force for good and for evil; some have aspired primarily to make their society more equitable, and others have sought to make their national power more fearsome. No one who has grown up in the twentieth century or after can really confront them devoid of their moral character. But social scientists and historians can still seek typologies that include experiences we find odious and those from which we draw inspiration.

The spectrum of political outcomes suggested here also differs from what I envisaged at the end of *Leviathan 2.0* seven years ago. But it would be a stubborn scholar who felt no need to revise his or her concepts over the course of time. And I have been enough of a nonscholar to want to explore new themes and subjects, perhaps at the cost of deepening my knowledge of previous ones. No doubt were I to be in a position to revisit this work in, say, ten or twenty years, I would think differently again. But that task will have to be left to younger readers, including those students, colleagues, friends, and family to whom I am so indebted.

Let me acknowledge just a few of those debts here: most immediately to my editor at Harvard University Press, Andrew Kinney; then at the Minda de Gunzburg Center for European Studies: Peter Hall, Arthur Goldhammer, and Hans-Helmut Kotz, with whom I taught a course on the European Union for several years, all of whom read or listened to portions of the manuscript. Other companions at the center, some still present—Grzegorz Ekiert, Peter Gordon, Patrice Higonnet (my colleague of longest standing), Maya Jasanoff, Alison Frank Johnson, Mary Lewis, Derek Penslar, and Daniel Ziblatt—and others now elsewhere, David Blackbourn and Niall Ferguson, have made it a wonderful intellectual home for decades. The Harvard History Department has been my alternate mooring for most of my career; I’ve been continually inspired by its commitment to teaching and innovative

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research. Let me cite close intellectual and career-long colleagues in Europe, Patrick Fridenson and Jürgen Kocka. Commentators on chapters or supporters of this project for years have included recent students Tim Barker and Ian Kumekawa, earlier students Steven Press and Jamie Martin, now teaching at Stanford and Harvard, respectively, and well-established former students Daniel Sargent and John Connelly now at Berkeley; also participants in the Weatherhead Initiative for Global History that I have codirected for almost a decade with Sven Beckert. Paul Schmelzing, currently of the Economics Department at Boston College, crafted the colonial balance sheets in Chapter 2. Most recently, Bruno Settis reviewed material on Italy in Chapter 5. I cannot name all those who have provided sustaining intellectual companionship. Teaching first with Niall and then Sven over the years has continued to renew mental energies. The students in our seminars as well as my undergraduate classes have been an ongoing stimulus to question and rethink the past whose relevance and urgency we strive to convey. I started the writing as a guest at the utopian Wissenschaftskolleg in Berlin in 2018 and was able to carry on while teaching at Sapienza University of Rome in 2019 thanks to an invitation from Andrea Guiso. I apologize for failing to cite many more of the friends and colleagues who have been continually supportive and, as I look back, have provided so many of this career's rewards.

Closer to home, my grown children, Andrea, Nicholas, and Jessica, their spouses, and the older tranche of my grandchildren have listened sympathetically as I laconically reported, "I've been working on my book," even as they unsuccessfully prodded me to explain what I was writing. Pauline's memory and example continues to inspire my efforts. But gratitude most of all this time to Anne Sa'adah, professor emerita of government at Dartmouth College, who consented to be my partner and wife in late life and has given me love, care, affection, and superbly intelligent companionship far beyond my merits. This, at last, is her book; she has believed in it.

THE PROJECT-STATE
AND ITS RIVALS

Introduction

History's Protagonists

HISTORIANS STUDY CHANGE, but earlier histories of the last hundred years did not prepare us for the transformations around the world that have overtaken our politics and societies during the late twentieth and early twenty-first century. Until recently, historical accounts centered on Europe and America focused on the long struggle between democratic ideologies and their authoritarian or totalitarian competitors—fascism and nazism, conventionally classified on the right, and communism on the left. These developments seemed to climax with democratic victories in 1945 or the remarkable collapse of the European communist regimes in 1989–1991, depending on the conflicts under scrutiny, whether World War II or the Cold War. For historians concerned with the populations that lived in Asia and Africa, the passage from colonial domination to independent statehood played a similar role in organizing a narrative of events that culminated between 1945 and the 1960s. Certainly, the second half of the twentieth century was marked by brutal postcolonial and civil wars, a dangerous nuclear stalemate, and many dismaying reversions into dictatorship. Nonetheless, by the 1990s repressive racial legal institutions in South Africa and the United States were dismantled, and many of the authoritarian regimes in Asia and Latin America and Europe had been democratized. Uphill battles but an upbeat story.

History, of course, did not end in 1989. The 1990s brought the destructive wars of Yugoslav secession and severe economic depression in Russia. The current century has been characterized by the most severe international economic crisis since the world depression of the 1930s, by the rise of ethnic nationalist and racist movements revealing traits familiar from interwar fascism, the murderous tenacity of religious zealots, the rise of would-be autocrats, and

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the plight of millions of unwanted refugees. Add to that the threat of trade wars, cyber disruptions, and renewed great-power confrontation, a global epidemic, premonitions of environmental catastrophe, and just as this book goes to press, the cruel atavistic war in Ukraine. Among many of the laments in the last few years, several among many have stuck with me, first the verdict of the respected British economic columnist Martin Wolf, who wrote somberly in late 2017 about the “great recession”: “The West let its financial system run aground in a huge financial crisis. It has permanently underinvested in its future. In important cases, notably the US, it has allowed a yawning gulf to emerge between economic winners and the losers. Not least, it has let lies and hatred consume its politics.”¹ The daughter of a distinguished Italian political family caught up in the earlier great conflicts of the mid-twentieth century wrote toward 2020, “The history not only of Italy, but of all Europe and the entire world seems to have turned down a completely new road, different from those that have opened to us in the postwar decades. I do not know where this road will lead; there are numerous signs of danger and degradation. . . . We have the sensation that catastrophe can emerge from within us, annulling humanity’s consciousness of the need to respect others . . . and of the will to imagine a future and to construct it.”² More recently, David Brooks, the conservatively inclined commentator for the *New York Times*, sought an explanation for why “history is reverting toward barbarism,” and he asked, “What is the key factor that has made the 21st century so dark, regressive and dangerous?”³

The question that has engaged me in this book is related but different: how to write a history of the twentieth century and the years to date of the twenty-first that can account both for the successes of liberal democracy some three decades ago and the “dark, regressive and dangerous” developments since then?⁴ Major syntheses have wrestled with the legacy of a dark and violent path, the vicissitudes of postwar recovery beset by traumatic collective memory, and the tensions of overarching ideological conflict.⁵ Others have stressed the long road toward welfare, prosperity, and emancipation. I do not believe that “history” is necessarily a story of progress toward liberal democracy or greater equality. We cannot know whether the next decades will take us further into the dark or reverse course again. But can we narrate the story until now as more than an unending contest between democrats and authoritarians with successive rounds going toward one contender or another? And if those obvious ideological opponents are not our main focus, which protagonists should be? My answer is set out below.

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How Did We Get Here? A History for Our Era

Two approaches to the history of the past century have predominated until recently. For writers who have remained focused on 1933, 1945, or 1989, dominant inquiries have usually sought to explain the conditions under which democracy thrives or decays, or conversely when authoritarian regimes arise or collapse. Eric Hobsbawm's celebrated *Age of Extremes* followed these vicissitudes from the left. Samuel Huntington and Francis Fukuyama drew political typologies from a conservative perspective.⁶ Given the great ideological struggles of the twentieth century, most historians have seen the era since the eighteenth-century revolutions as an epic contest between democratic and authoritarian, even totalitarian, regimes. For historians on the left, progress has entailed overcoming accumulated hierarchy based on wealth, race, and gender, on privilege based on birth, and unjustified authority. Conservatives, in contrast, have argued that the underlying peril arose from democratic overreach. They warn that societies have heedlessly destroyed institutions that may have accommodated inequalities but provided organic social roots and shelter.⁷

I have earlier termed these historical accounts *moral narratives*; they were organized or at least justified in terms of the great principles at stake.⁸ That term was not meant to diminish their significance. The contests at their center were indeed fundamental as all the great intellectuals of the era recognized. They claimed the passions, liberties, and lives of participants. We still rightly worry about dangers to liberal democracy, at home and abroad. But there are other ways to think about the history of the last hundred years than as a contest between democracies and dictatorships, emancipation and oppression, fascists and communists, or even just between liberals and conservatives, left and right, or moderates and the ideologically obsessed.

Many historians, mostly of a younger generation and on the left, who have sought to explain developments since 1989 have in fact shifted focus from the confrontation of democracy and authoritarianism. They are transfixed by the power of capital, the advance of globalization (at least until the past decade), and the success of neoliberalism, that is by trends that reduce the role of states as the preeminent agents of world history in favor of the economically powerful. Such a focus helps make sense for the years since 1989 and, as I argued twenty years ago, since the changes of the 1970s. That decade marked a point of inflection between a century-long global regime (from the 1860s into the 1970s) that seemed clearly organized around territorial states—their

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commerce, conflicts, and ideologies—and the era in which we have found ourselves since. Although we still divide the world into nation-states, contemporary developmental forces seem increasingly to cross their boundaries and leave territorial orientations behind. The state is not disappearing, but it functions in a far denser milieu of influences. The process has been far from uniform, however. How can we best comprehend both the order of states and the transnational developments that sweep the globe?

The approach in this work is to identify and follow basic historical protagonists that have operated over the course of the past century, both when states loomed as decisive actors and when they appeared overshadowed by other agents. My protagonists are collective actors who possess different sources of power and public influence and seek to maximize their historical roles. Four such agents of transformation have seemed particularly important to me. Two are based on the potential for exploiting territorially organized political authority, the *project-state* and the *resource empire*. Two draw upon sources of influence that cut across territorial jurisdictions: what I term the *realm or community of governance* based on normative aspirations and the *web or domain of capital* consisting of individuals and firms working to secure and increase economic returns. These four agents are not the only possible protagonists, but together they carry the weight of a lot of history.

Critics may well object that the different and sometimes opposed actors within each of these historical “forces”—ambitious leaders, political parties, business enterprises, foundations, nongovernmental organizations (NGOs), and so forth—outweigh whatever abstract unity they might have possessed or unified influence they exerted. Whether they do or not must remain a subjective determination in each case, but I try to take account of internal distinctions. Conversely, readers who are interested in the history of political economy, as I myself have been, usually take as a working premise that capital and the state cannot really be disentangled. But although they are usually found in interdependent relationships, they can be distinguished analytically like threads in a tapestry, and I believe it is fruitful to do so. Let me emphasize that none of the four collective agents deployed here has operated in isolation; each has joined forces with one or more of the others. But they vary in their impact, and their changing power and importance determine, or at least reveal, many of the developments and events of history as experienced. The history that follows is thus based on the evolving interactions between varieties of territorial rule and forms of nonterritorial power. It does not wager on any particular future for confirmation but tries to provide a

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framework that makes progressive as well as regressive outcomes plausible. Its aim, moreover, is not just to write a history of current crises and conflicts, although it hopes to illuminate them. Primarily, it seeks to explain the longer-term stresses inherent in earlier institutional arrangements, like the structural flaws in a bridge or building that suddenly collapses after we were convinced it was totally robust. History constantly surprises, but the job of the historian is to make it seem less surprising.

The Project-State and the Resource Empire

With respect to the territorial protagonists, two major themes occupy this history. The first is the rise and eclipse—final or not no one can say; this history must remain unresolved—of what I term the activist *project-state*. The project-state was a political unit that consciously aspired to inflect the course of history. If large enough, it wanted to play a leading and perhaps hegemonic role in international society. No matter what its size and power, it aspired to change social and economic relations in a profound way and not just to prolong administrative continuity. Project-states had a transformative agenda; they were based on authoritarian and even totalitarian as well as liberal and democratic coalitions seeking to reform sclerotic institutions or societies that seemed unacceptably unequal. In addressing the societies they proposed to reform, they organized their recruitment of personnel and legitimation of rule around ideologies: grand historical narratives that served project-state maintenance. By and large, the diagnoses and projects envisioned one of two approaches; call them left and right. Either they beheld a society flawed by historic legal and material inequalities that needed to be rectified, whether by revolution or redistribution, or they perceived a national community deficient in family, ethnic, or other organic bonds—“invertebrate,” to cite José Ortega de Gasset’s phrase for Spain—which had in one way or another to be disciplined.⁹

The project-state as used in this book differs from other regimes that political scientists have often evoked, such as the developmental-state and earlier the administrative-state. The developmental-state stood out by its active guidance of economic modernization.¹⁰ The administrative-state was an older concept designed to emphasize the functional specialization of governing agencies. It often suggested a suffocating bureaucratization, such as conveyed by Max Weber’s metaphor of the “iron cage.” How to control it democratically seemed the major problem.¹¹ The project-state, in contrast, supposedly sought to energize the citizenry, even if its leaders often settled for mere acclamation.

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The project-state was often just a phase of longer-term government since the fervor demanded could rarely be sustained beyond a few years or a decade at most. Leaders, however, would occasionally try to whip up enthusiasm for a renewed phase of civic mobilization, sometimes with a search for enemies or mere slackers.

No hard-and-fast line sets the project-state apart, but it entails a degree of self-aware ambition. Its leaders set an agenda they understand as going far beyond ordinary administration, whether in terms of social change or state authority. They sense a historical calling. The “projects” are described at greater length below, but they included significant extension of social services and welfare, raising the level of national education, and mobilizing a civic or revolutionary and national consciousness. Reflect briefly on the idea of the project itself. “An individual or collaborative enterprise that is carefully planned to achieve a particular aim,” according to the *Oxford English Dictionary*: a word derived from the Greek “to look forward.” Wikipedia gives the Manhattan Project, the Apollo program, the Human Genome Project, and the Great Pyramid of ancient Egypt as examples. This history associates the project with a public, communal effort, but in the twentieth and twenty-first centuries, private enterprises assumed public dimensions and can excite the public imagination: Henry Ford’s River Rouge auto plant early in the last century; today, perhaps Elon Musk’s SpaceX. Certainly, state projects have an ambiguous historical record. They have mobilized societies or those speaking in their name to construct the Tennessee Valley Authority on one hand and Auschwitz on the other hand.

Social theorists on the left have argued that this peril is inherent in the nature of capitalist modernity. *Economist* magazine editors and many far more doctrinaire commentators tend to believe that the danger arises from the nature of the state and believe that when anchored in a market society, the project remains benevolent. American projects have usually been associated with either the visionary entrepreneur or the analogy of war: for example, the war on poverty, the war on terror, the war on cancer. Results are mixed. Our public health projects—mass vaccination campaigns for polio and today COVID-19, for instance—have been technologically impressive but have faced difficulties arising from poverty, our racial history, and a polarized polity.

Achieving transcendent security at home and sometimes abroad could become a project in its own right, above all because the project-state often saw itself as embattled and indeed often was. At recurrent moments, its architects felt themselves standing at Armageddon. Some of the opposed forces

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were impersonal legacies of poverty and dependence. But for pathological rulers and parties, opposition took the form of alleged mortal conspiracies of class, race, or faith. Project-states were sometimes founded by ambitious politicians but also emanated from military cadres who seized power in the conviction that civilian rulers were decadent, corrupt, or leftist and that only patriotic and selfless armed forces could regenerate the nation.

The idea of a project-state raises analytical and ethical problems and I want to recognize their difficulties. When project-states were powerful international units, they tended to define their aspirations in universalist terms. They aspired to make a world hospitable for their values, whether expressed in terms of a superior civilization, race, or ideological merit. National projects easily became imperial projects, and project-states have often been in a situation of conflict with each other, of cold if not hot war. The inverse relationship also holds. War makes states and it makes project-states in particular. If this book is read in a time of war, the state will seem a more important protagonist than if it is read in an interval of peace.

The concept of a project-state raises another difficulty as an analytical tool—to me the weightiest. Should activist regimes that do not systematically violate human rights really be seen as akin in any way to those that practice political violence and coercion as a major technique for molding society? Should not the distinction between regimes that seek to preserve individual liberty and dignity (even if riddled with pockets of injustice) and those that trample on them, whether at home or abroad, remain the fundamental distinction in making sense of our epoch's political history? Can the historian justifiably suspend this moral categorization in trying to make the past intelligible? Most public commentators have doubled down on the fundamental difference between authoritarian and liberal states. Does it not remain the primal distinction of our time and is it not just sophistry to obscure it?

I would certainly not erase the distinction as a guide to political action. Most historians of the United States, whether yea-saying or critical, would also have resisted. So too would some of the great European historical thinkers such as Jules Michelet and Karl Marx as would in particular historians of Nazism and Stalinism and a theorist such as Hannah Arendt. History for them remained a moral drama. Niccolò Machiavelli and Max Weber, on the other hand, derived important insights from such a suspension of moral criteria. More recently, Charles Tilly notably insisted that the sine qua non of force lay behind government as it did behind gangs.¹² Some, such as Alexis de Tocqueville, could retain their moral commitment but still perceive

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the institutional similarities. This work proposes a pragmatic response. It is not intended to equate project-states, but it argues that looking beyond the distinction between liberal-democratic and authoritarian, even totalitarian regimes, helps reveal the dynamics of recent history. And it can also compel us to think more clearly about the defects of our own political systems.

Project-states were usually creatures of war, revolution, or profound national crisis. For some countries—China, Turkey, and Mexico—their transformative regimes emerged from the revolutions that had shaken their societies in the decade before World War I. Russia had undergone a wave of revolution and counterrevolution after 1905. These significant upheavals were compressed and at times armed efforts to shatter semifeudal rural hierarchies and clientelist politics, which had also provided for an outsize role for foreign interests. But even in nonrevolutionary situations, advocates of the project-state envisaged the creation of a new society that transcended traditionalist loyalties oriented toward the family, church, or military but were rather to be based on enhanced civic consciousness. The great interwar depression of the 1930s prompted the reemergence of an American project-state (albeit bitterly contested) with the New Deal. Democratically oriented projects were resumed with the defeat of fascism in World War II and continued into the 1960s.

Most of these struggles were carried on by the institutional form that dominated the history of the last 200 years, the organized political party, either a new one or one of long standing energized by domestic crisis. Organized parties, with professional staffs and subsisting between elections, justifiably drew the attention of political theorists and sociologists throughout the twentieth century. Whether single or many, they dominated the history of regimes the world over, though often to atrophy in energy and vitality. The party in turn sometimes emerged from a political movement—a mix of spontaneous upheaval and carefully cultivated enthusiasm and anger, not yet institutionalized into the governmental apparatus. Movements might erupt during moments of economic discontent or resentment at political exclusion, volcanoes of history that broke through the crust of routine sometimes to generate project states, often ultimately to congeal anew within a ritualized arrangement for exercising power. My major interest has been the states they helped transform more than the movements themselves, but as in the most recent eruption, labeled as populism (discussed in chapter 10), regime and movement can be hard to disentangle.

Thinkers as diverse as Michel Foucault and James Scott have suggested that in effect all states must be project-states; they want to enumerate, make

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“legible,” and rationalize their subjects. Examining religious as well as political institutions from the late Middle Ages, Foucault introduced the ideas of “governmentality” and “biopolitics” to describe a state agenda for molding populations.¹³ But there are different degrees of intervention and states can vary in their activism, asserting a role in war and crisis that becomes routine over time. The difference in intensity, I believe, justifies the special category, even when historians dispute whether the label is usefully applied to one or another case. In fact, all the major belligerents in the world wars had to become project-states temporarily to the degree that they intervened to harness their populations to the overriding objective of national survival. The wars compelled participants to coordinate economies and societies to an unprecedented and ever more pervasive degree. But although many of the belligerents undertook this effort for the duration, they also dismantled controls once peace was secured. We are examining the regimes that undertook or attempted major intervention in peacetime.

Not all states, of course, were project-states; many were content to penetrate less deeply if too much unrest did not threaten the political regime. Project-states often involved an unleashing of violence that could exhaust populations and was hard to sustain beyond a decade or two. Some societies (usually thought of as liberal) resisted this recourse, at least at home and in their national politics, though allowing it in colonies or the enforcement of segregation or ethnic cleansing in unofficial capacities. Other states governed through layers of familiar elites especially when they had the additional task of ruling a far-flung and ethnically diverse empire. Finally, the project-state itself seemed to lose its momentum by the 1970s. Other less collective objectives took over, and the great historical moment of the project-state, at least in the West, faltered in disillusion. Until yesterday, at least European and American societies were living through a phase of its abandonment and rejection. Whether it is reviving at the present moment is yet to be determined.

The other territorially defined form of rule this book follows is a variant of imperial control I term the *resource empire*, which is discussed in Chapter 2. Empires are forms of state, but the idea of a state or a nation-state implies formally equality with other sovereign polities, often as signified by membership in international associations. Empires claim superiority of one sort or another over other peoples or political units who do not yet have sovereignty. The resource empires were certainly not the only form of imperial control, but they represented the effort to enjoy the fruits of overseas colonies that had already been conquered before World War I or were gained as a prize

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of victory in 1918–1919 from other colonial powers. Resource empires were less structures of restless territorial acquisition (interwar Japan and Italy’s efforts excepted) than of extraction—hopefully, though rarely in fact, cash cows for beneficiaries in the metropole or settlers in place. The League of Nations helped inscribe a new, largely racially or ethnically based status quo that envisaged indefinite tutelage through the mandate system. The elusive standards of “civilization,” or “readiness for self-rule,” remained powerful normative justifications.

The winding up of the resource empires followed during the quarter century after World War II. But if the formal empires ended, the one-time colonies often continued to furnish material resources and labor power for their former rulers. The resource empire demands our attention not only for its history as such but as a source of ongoing relationships of economic inequality—privilege and power of the global north and continuing disadvantage for the global south. There were many reasons: the stigmas of racial difference did not bleach out; the cultural resources of the old metropole continued to exert their magnetism over postcolonial elites. Metropolitan firms relied on their plantation products—fruits, vegetable oils, and fibers—and on the minerals that local laborers dug out of their mines, and most important in an age of expanding energy needs, on their petroleum resources. The contests over what might be called petro-empires (see Chapters 6 and 7) remained important through the third quarter of the twentieth century. More generally, the economic fortunes among nations and regions in a globalized world have remained significantly unequal as the descriptors “third world” or “global south” imply. Inequalities of wealth and economic autonomy have prolonged a twilight afterlife for the resource empire.

Domains of Governance and Capital

Operating alongside (and often within) states and resource empires were organizations and networks that aspired not to sovereign power but to moral and political influence and/or to material gain. They might have headquarters based within territorial states, but they increasingly functioned within international or transnational domains defined here as the domains of *governance* and of *capital*, both discussed in Chapter 3. We can use varying terms: “domain,” “realm,” “community,” “space,” “field,” “web”; they all refer metaphorically to networks of decentralized participants that mobilized public opinion and finance often across national lines. Think of them as creating something like

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a gravitational or magnetic field in physics, filling international space with invisible lines of energy or influence.¹⁴

The term “governance” has surged in popularity since the 1980s. (See the n-gram in Chapter 7.) Today, it often means just the procedures and usages according to which nonpolitical organizations are managed, rules “governing” behavior where the coercive capacity that states possess does not apply. But it can carry more specific implications, which are those relevant for this account. The realm of governance I refer to here includes the nonstate or interstate organizations that proposed to intervene in society by invoking ethical, normative, or “expert” considerations, whether supported by laws and governments or not. The dense development of international law and courts constitutes a major part. Transnational health provision provides another.¹⁵ (In the eighteenth century, the Republic of Letters might have been seen as having an analogous role. In the nineteenth and early twentieth centuries, the idea of “public opinion” summoned up some of the same ideas.) These organizations operated both within state borders and in international “space.” Historians used to regard the international domain as the passive arena for contending national foreign-policy ambitions, but many today increasingly argue that the international (or transnational) arena is a space that in effect shapes its own normative practices.¹⁶ To resort to another metaphor from physics, if the life of states was bound together by the strong forces of alliances and interests, the realm of governance constituted the weak force of transnational opinion.

Whereas the rules that states imposed might be decreed by a single actor whether individual or cohesive party, the norms of governance usually emerged from a collective deliberation. Participants in that process sought to discern and enact public goods that politics or markets do not always provide: an end to civil violence, human rights, honest government, access to education, better medical care, and environmental preservation. But by promoting reforms for states and firms, actors in the realm of governance also prolonged the continuity of resource empires and sometimes the hegemony of powerful states. The champions of governance claimed the self-evidence of norms just as American colonists once declared the self-evidence of rights. The claim of governance had a long history well before the term became widely used in the 1980s. Combatting global inequality would eventually become a major goal of United Nations agencies and NGOs, but advocates of international governance long sought to negotiate compromises between the reformist ideas championed by pre-1914 international liberalism and the aspirations of conservatives to uphold—or even restore—what they

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believed to be the status quo of a peacefully accepted inequality of peoples and races.¹⁷

The world depression of the 1930s undermined the conditions that allowed these reformist projects to prosper. Instead, it increased the assertiveness of project-states, weakened the authority of resource empires, and ripped apart the international realm of governance by the end of the decade. The realm of governance was reconstituted after 1945 and seemed to increase in vigor—but its success depended on its partnerships with the web of capital and ambitious states.¹⁸ After World War II, as Chapters 4 and 7 discuss, the role of organizations claiming to advance governance became increasingly problematic. Some clung to humanitarian ends; others seconded (and even aspired to form) their own government's political and economic goals, convinced that they were advancing objectively humane values even as they required the resources of their home nations and economic systems to prevail. The line between norms and interests became very wobbly as interests were advanced as rights. The phenomenon of “think tanks” revealed that party and economic interests could adopt the prestigious form of the foundation to sponsor a partisan agenda. The analyst of global politics is left to ask whether claims of “governance” did not really become just a discursive strategy for a new would-be elite, unable or unwilling to see the interests they were serving, whether others' or their own.¹⁹ The concluding chapter suggests in fact that ambitious leaders and many voters in the twenty-first century have mobilized against the pretensions of governance communities.

The web of capital has included the individuals and organizations—firms, banks, trade associations—that participated in markets, where they reciprocally exchanged goods, labor, real property, and promises of future payments in a framework supposedly free of legal or extralegal compulsion. Capitalism as an institution, however, involves more than the role of markets for organizing economic life.²⁰ It is a system of production and of exchange dependent on money equivalents—that is, upon a common and preferably stable measurement of value (a *numéraire*) to allow exchanges of all sorts of commodities, labor, and natural resources beyond direct barter.²¹ Nonstate owners retain the ownership of much, if not all, property. Its production model usually entails small groups of managers or employers directing a larger number of workers and receiving a higher income for doing so. Although it is often taken for granted, capitalism incorporates a role for time and duration in establishing how much goods and labor are worth. It presupposes that at the end of cycles of production and exchange, the values attributed to the economy

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should normally be greater than at the beginning.²² Something marketable has been *added* whether by dint of physical labor or mental effort, extraction from nature, technological change, or heightened desirability. How that precisely occurs has often been puzzling; Marx believed that ultimately it must derive from labor, but how it was put into the stream of capital was part of the reproduction problem with which he continually wrestled. If attributed to firms, the additional value is designated profit; if attributed to society as a whole, we talk about economic growth. Marxists in particular use the term “accumulation,” in part to signal their ideological affiliation with each other.

Of course, how this increase (or in some cases, decrease) should be distributed is a question of politics. For capitalism is also characterized by a particular relationship to political systems. It frequently relies on the state for investing in technological innovation. It certainly relies on the state to protect those who control economic assets from theft, abusive practices, and sometimes disastrous losses. It relies on the state again to set essential parameters, such as key interest rates and a budget for public expenditures, assuming it does so in the interests of capital and growth. And at the same time, capitalism needs a state that allows firms and individuals to accumulate assets with monetary value and regulates the legal framework for the economic process. Thus, although there are many exceptions, twentieth-century capitalism evolved toward what was called a mixed economy in which private ownership, contracts, and profit remained critical.²³

Despite many historians’ treatment of capitalism as an all-encompassing causal framework, my own view is that the political system, based on the resources of power, whether accumulated by force or consent, remains conceptually independent. Thus, this book is not a history of capitalism, though it includes the agents in that system as key actors in historical change as a whole. These agents include very different forms of activity: on the one hand, entrepreneurs and firms who produce and sell manufactures or commodities, on the other hand, those who extend the credit, insurance, and legal services that facilitate their activity. Their respective policy interests have often been in opposition to each other, but they remain entangled in the process of wealth creation in market societies.

Characteristic of the interaction of state and the agents of capital in the modern era and the twentieth and twenty-first centuries, in particular, was the “decision” vastly to increase the money claims available in any current time period against promises of future redemption. The demands of war constituted one motive. Social conflict and welfare commitments also led to this expedient.

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