WWII and the Origins of the LIO

PS 142A.07
Paradox of LIO

- Within the “Western” alliance, U.S. rule hierarchical:
  - Protectorates/informal empire in W. Germany and Japan, but diminishing over time
  - At least sphere of influence in rest of Europe
- Yet, this rule was consistent with democracy and accepted as relatively legitimate.
Summary

- Military alliances created site-specific assets
- Destruction of the war created opportunity for U.S. to rule other major powers indirectly
  - Reshaped interests of former enemies
  - Compatible interests made democracy possible
- Postwar institutions designed to be fundamentally liberal
  - Multilateralism gave members influence over U.S.
The Initial Postwar Vision

- **FDR and the war**
  - Isolationism sufficient to keep U.S. out of the war
  - U.S. clearly took the side of Britain and France
    - Lend-Lease program
    - Attempted to limit Japanese aggrandizement in Asia

- **Four Freedoms**
  - Freedom of speech
  - Freedom of worship
  - Freedom from want (healthy peacetime life)
  - Freedom from fear (reduction in armaments to limit aggression)

- **The “Four Horsemen” model**
The Atlantic Charter (Aug. 1941)

- No territorial gains
- Territorial adjustments in accord with the wishes of the people concerned
- Right to national self-determination
- Trade barriers to be lowered
- Economic cooperation to advance social welfare
- Work for a world free of want and fear
- Freedom of the seas
- Disarmament of aggressor nations, general disarmament after the war
World War II

- Japanese attack on Pearl Harbor, Dec. 7, 1941
- Axis countries declare war on U.S., Dec. 11
- European theater gets priority
Axis Control of Europe
The United Nations

- Dumbarton Oaks Conference (Sept./Oct. 1944)
- UN Conference on International Organization (April - June 1945)
  - UN Charter signed on June 26, 1945
- Structure
  - General Assembly: one nation, one vote
  - Security Council: 5 permanent members with veto, 10 non-permanent members (2 year terms)
  - Secretariat: permanent staff, including Secretary General
  - Specialized agencies (IAEA, ILO, WHO, etc.)
United Nations Charter: Westphalian and Liberal Norms

**Liberal International Order:**
- Liberal democratic polity and economy
- Free movement of goods and capital
- Human equality: freedom, rule of law, and human rights
- Multilateralism (including pooling and delegating authority)
- Collective Security

**Westphalian Order:**
- Ultimate authority over territory (and people on that territory)
- Sovereign equality of states

**Co-evolved (UN Charter):**
- Peaceful resolution of disputes
- Self-determination
- Non-Intervention
Bretton Woods

- Conference in July 1944
- International Monetary Fund
  - Fixed value of currencies within +/- one percent
  - IMF to bridge temporary imbalances
- World Bank (IBRD)
  - Longer-term loans to facilitate post-war recovery and development
General Agreement on Tariffs and Trade

- **International Trade Organization**
  - Never ratified by U.S.

- **General Agreements on Tariffs and Trade**
  - Effective Jan. 1948-1995 (then WTO, 1995-present)
  - Negotiating forum: 7 “rounds”
  - Grew from 23 to 159 countries
Initial Vision Fails

- UN is stymied by outbreak of the Cold War
  - Never becomes the model envisioned by FDR
  - UN action in Korea possible only because Soviet Union boycotting over Chinese representation
- Economic institutions limited, at first, to North America, Europe, and Latin America
- Universal order replaced by “regional” order or LIO
Rules of the Pax Americana

- Members must:
  - Settle disputes between members peacefully
  - Act collectively in the common defense
    - Neutrality in the Cold War not permitted
  - Maintain market-based economies open to trade and investment with other members
  - Give up imperial preferences and overseas colonies
    - Special relationships permitted if “open door”

- Members to be democratic, consistent with the above
Building the Pax Americana

- Morgenthau Plan
  - Reduce Germany to an agricultural society

- Marshall Plan aid
  - In 1948-51, U.S. provide Europe with $17bn in aid (> $198bn in today’s dollars)
  - Soviet Union refused to participate
People in the cities are short of food and fuel, and in some places approaching starvation levels… Aside from the demoralizing effect on the world at large and the possibilities of disturbances arising as a result of the desperation of the people concerned, the consequences to the economy of the United States should be apparent to all. It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace. Our policy is directed not against any country or doctrine but against hunger, poverty, desperation, and chaos. Its purpose should be the revival of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist.
Rebuilding Europe

- In practice, monetary system deviates from IMF
  - USD fixed to gold at $35 oz
  - Others fixed to dollar
  - U.S. ran deliberate balance of payments deficit

- U.S. reduces tariffs dramatically, with smaller reductions in Europe

- “Reverse course:” reintegrate Germany and Japan into community of nations
Why Rule? The Cold War

- Unlike after WWI, outbreak of the Cold War led to forward deployed U.S. defense strategy

- Containment
  - Deter and if necessary fight the Soviet Union as close to the borders of its sphere of influence as possible

- Military bases as specific assets
  - Perimeter defense: “leakages” undermine entire strategy
U.S. MILITARY BASES ABROAD, 1939

For easy comparison of base maps over time, borders are contemporary.

At the height of World War II, the United States controlled more than 2,000 bases and 30,000 installations overseas. This was the largest collection of bases possessed by one power in world history. This map reflects the relative number and positioning of these bases around 1945. For easy comparison of base maps over time, borders are contemporary. Key sources: Robert E. Harkavy, Strategic Basing and the Great Powers, 1502–2000; Brian L. Fry, “U.S. Global Defense Posture: James Blakey, United States Overseas Basing; Department of the Navy Bureau of Yards and Docks, Building the Navy’s Bases in World War II; John W. McDonald Jr. and Diane B. Bandhauer, U.S. Bases Overseas, news reports.

U.S. MILITARY BASES ABROAD, 1989

At the end of the Cold War, the United States controlled around 1,600 bases overseas. This map reflects their relative number and positioning.


Forward Deployments

- Extensive bases in Germany
- Scattered bases throughout Europe
- Important bases in Turkey

MAP 1
The U.S. European Command
The bulk of the U.S. military presence in Europe is concentrated in Germany and the U.K. Other key posts stretch across the length of the Mediterranean Sea, well within reach of hot spots in the Middle East.
Military Bases as Specific Assets

- U.S. defense strategy vulnerable to European/Japanese defection
  - Feared neutrality, as espoused by Socialists
- Feared European entrapment
  - Security guarantee permitted riskier foreign policies
- U.S. also wanted to control free riding (exploitation)
  - Accepted disproportionate burden in exchange for control
  - Insisted on German rearmament
Coercion

- U.S. could have coerced Germany and Japan
  - Costs of war absorbed in WWII (sunk cost)
  - Option ensured that outcomes would reflect U.S. interests
  - Defeated axis countries become U.S. protectorates

- Coercion not possible against other allies
  - Allies in more than U.S. sphere of influence and drawn into economic dependencies
Indirect Rule

- Domestic politics in Europe and Japan “plastic”
  - Elites delegitimated by war and especially defeat
  - Industrial capacity destroyed by war
- U.S. identified and supported conservatives untainted by facism/militarism and willing to work with the West
  - Promoted them as intermediaries
  - Supported them in elections
- Once integrated, economies conformed to liberal economic order and became “vested”
Konrad Adenauer of Germany

- Chancellor 1949-1963
- Former Mayor of Cologne
  - Mildly anti-Fascist
  - But strongly conservative and anti-communist
- Founded the Christian Democratic Union (CDU)
- Primary opponent was Social Democrat Kurt Schumacher
  - Proponent of German neutrality
Germany’s Export Led Growth
Shigeru Yoshida of Japan

- Prime Minister 1946-47 and 1948-54
- Imperialist but pro-American
- Yoshida Doctrine
  - Reliance on the U.S. for security
  - Economic recovery through export-led growth
U.S. Opposition to Communism

- **Italy**
  - Communist Party 2.3m members in 1947
  - Participated in government 1944-1947
  - U.S. provided $10m to anti-communist parties in 1948 election

- **France**
  - Communist Party ~ 25% of votes in elections in 1945 and 1946, in Tripartite government of 1944-1947
  - U.S. opposition somewhat more indirect, simply making clear that it did not approve
Legitimate Power

- Wartime enemies reconfigured as postwar “allies”
- Given plasticity of domestic interests, U.S. could reshape political coalitions consistent with indirect rule
- As integration proceeded, new coalitions get locked in or “vested” in the LIO
- Cooperation with U.S. now in their “interests” and consistent with democracy
Legitimate Power

- Important was multilateral structure of LIO institutions
- Subordination is profound choice
  - Agree to follow rules voluntarily only if you think rules are appropriate
  - Respect U.S. “leadership” only if convinced it is in one’s mutual interest
- Multilateralism creates check on U.S. power
  - Allies could not prevent the U.S. from acting according to its interests
  - But did have voice and influence
  - Magnified when used in concert