Indirect Rule

The Making of U.S. International Hierarchy

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Part I:

Indirect Rule and International Hierarchy

Chapter 1

Introduction

Once the United States decided to build a canal through Panama in 1903, Nicaraguan President Jose Santos Zelaya reached out to Germany and Japan about sponsoring a competing route through his country. This route had long been planned and, indeed, preferred until President Theodore Roosevelt supported a revolt in Panama, then a province of Colombia, and "stole" a canal the United States could control in its entirety. For his temerity in courting extra-regional powers, Zelaya lost favor with the United States, as the saying goes. In alliance with private U.S. business interests, Washington fomented a coup led by Conservative Juan Jose Estrada and funded by Aldolfo Diaz, the chief accountant of the La Luz y Los Angeles Mining Company. Despite its name, the mining company was an American multinational that owned several gold mines in Nicaragua and was a former client of then Secretary of State Philander C. Knox. Diaz became Vice President under Estrada. When Estrada fled the country six months later in an alcohol-fueled episode of paranoia, Diaz was elevated to the presidency. Desperately in need of new international loans, Diaz offered Nicaragua to the United States as a protectorate, an offer that was met with violent dissent from Zelaya's old Liberal supporters. The United States then landed marines to protect Diaz and restore order, becoming a seemingly permanent presence for the next 10 years. In return for this support, Diaz gladly signed the Bryan-Chamorro Treaty which gave the United States the sole right to build a canal across Nicaragua, thereby locking down this alternative route and ensuring that no outside power could establish a foothold in America's self-declared backyard.

After fulfilling his term in 1917, Diaz was succeeded by Emiliano Chamorro, a leader of the Conservative Party, who nonetheless failed to win support from the United States. In 1926,

during another period of instability that sent the revolving door at the presidential mansion spinning once again, the United States landed the marines and Diaz, who was then living in the United States, returned as President. When Washington attempted to impose a power-sharing agreement on the still unstable country, one Liberal commander, Augusto Sandino, took to the hills in open revolt. Assassinated several years later, Sandino became a symbol of resistance to U.S. domination in the region. Diaz stepped down again in 1929, eventually being replaced by Anastasio Somoza Garcia, then Chief Director of the U.S. trained and backed National Guard. The Somoza family ruled Nicaragua on-and-off through two generations with the support of the United States, despite or perhaps because of the regime's brutal repression of popular dissent. Sandino's legacy lived on in the Sandinista National Liberal Front, which eventually overthrew the Somoza regime in 1979.

With the war, defeat, and occupation by the four victorious powers, German politics after 1945 were a *tabula rasa*. The physical destruction of the war, the huge number of dislocated people, and the dismemberment of the country fundamentally altered the structure of economic and political power in Germany, breaking the vested interests in the country and creating new political openings. The defeat of Hitler, and the revelation of the atrocities carried out in his name, delegitimated his regime as well as those conservatives who originally helped him to power. In this period of plasticity, two political parties quickly consolidated. One, a left-leaning Social Democratic Party, advocated neutrality in the emerging East-West split in hopes that the victors would agree to unification. The second, the center-right Christian Democratic Union favored capitalism and integration with the West even at the price of unification.

The central figure around which fractious center-right politics orbited was Konrad Adenauer. The main figure in local politics in Cologne from 1906 on, Adenauer was a moderate-

conservative who adroitly navigated between the Nazi regime and its Allied opponents. Jailed for two days in 1934, after the Night of the Long Knives, and again in 1944 after the assassination attempt on Adolf Hitler, Adenauer survived by pleading to Hermann Goring that, though he was himself not a Nazi, he had allowed the party to hold public events in Cologne during his tenure as Mayor and had supported a joint government with his *Zentrum* party. With apparently sufficient anti-Nazi credentials from his two stints in jail, the U.S. occupation authorities reinstalled him as Mayor of Cologne, but he subsequently fell out with the British occupation forces who inherited control of the city. His dismissal by the British for "incompetence" – the failure to follow their orders -- was a stroke of good fortune in the end, allowing Adenauer to establish strong nationalist along with plausible anti-Nazi credentials. Associated with prewar movements to establish an independent Rhinish republic, Adenauer was always skeptical of Prussia dominance and -- though like all German politicians he publicly espoused support for unification -- he was less driven by this aspiration than many. With the support of the United States, Adenauer was elected the first Chancellor of the new Federal Republic of Germany and served for 14 years, leading his shrunken country westward into NATO and the European Coal and Steel Community (precursor to the Common Market and later European Union) and redirecting the German economy from *Lebensraum* toward export-led growth. With the incentives offered by the United States to join the Western alliance, and under Adenauer's leadership, a majority coalition formed around this new orientation to international politics. Though the Social Democrats branded him the "Chancellor of the Allies," supposedly a slur on his character, in Adenauer the United States found a competent leader of a center-right coalition who promoted policies very much aligned with Washington's preferences. In supporting

Adenauer, the United States could champion democracy, and vice versa, all the while knowing the Chancellor would adopt the very foreign policies it favored.

In both of these cases, and many more, the United States ruled another country indirectly through local allied groups. In exchange for U.S. support, these local allies adopted policies favored by Washington, even in the face of greater opposition at home. Indeed, it was precisely to offset this domestic opposition that U.S. support was necessary. In Central America and elsewhere in the Caribbean Basin, the United States bolstered the economic and political position of landed elites against peasants and workers, and these elites in turn accepted the U.S. monopoly over political relations within the region and control over their finances. In allying with these elites, U.S. indirect rule bred broad anti-Americanism and resistance, and the Colossus of the North was generally regarded then and now as illegitimate. A similar pattern with similar consequences is echoing in the Middle East today. In West Germany and Europe more generally, the United States remolded societies and allied with centrist groups that favored goals and policies preferred by Washington. U.S. indirect rule – only slightly less extensive than in the Caribbean Basin – created an "empire by invitation" that was consistent with democracy and, most importantly, broadly accepted.[1] This book explains why indirect rule occurs and why it takes different forms in different places at different times with different consequences.

The examples of Nicaragua and West Germany frame the question of when is international hierarchy possible and, equally, how is rule implemented and enforced? When is it broadly accepted and regarded as legitimate and, critically, who in the society deems it legitimate? In a world of sovereign states in which each is the formal equal of all others, supposedly in place since 1648 and dawn of Westphalia, the answer to these questions is, of

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[1] Lundestad 1990.

course, never. With only a few exceptions for postwar occupations, internationally authorized trusteeships, and other temporary abridgements, no state today is understood to possess the right to govern any other.[2] Likewise, in a world of "power politics," where the distribution of capabilities is all that differentiates states, all power is illegitimate, if still the foundation of statecraft.[3] States make demands of one another, and targets may concede in the face of likely harm or punishment, but the former do not rule and the latter do not believe they have any obligation to comply. In reality, however, sovereignty is often restricted with dominant states ruling subordinate states in whole or in part.[4] Deference by states to the authority of another state is something that theory and international norms suggest should not happen. But it does. The question is How does hierarchy work in international politics, especially when it contradicts prevailing norms of sovereignty? How does the United States, or any other dominant state, actually rule others?

Leadership or Imperialism?

There are two views of the United States in international relations, held broadly by scholars and the public alike. In one view, the United States is the leader of the free world, a benevolent hegemon, that provides the public goods of common security, first against the Soviet Union and now against rogue nations and terrorist groups, and the financial and monetary stability that undergirds the global economy. In the words of both Presidents John Kennedy and Ronald Reagan, echoing the Puritan preacher John Winthrop from 1630, the United States is a "city upon a hill," a beacon that attracts others by its liberal values and contributions to peace and prosperity. It leads by consent, by its selflessness, by its willingness to check-and-balance its

[2] On sovereignty, see Krasner 1999.
[3] See Waltz 1979.
[4] For the now substantial literature on international hierarchy, see Lake and Liu 2020..

power through international institutions, just as it's government does at home. This is the view Americans like to hold of themselves.

As an "American social science," this benign view of U.S. leadership has crept into the discipline of International Relations in the guise of hegemonic stability theory and neoliberal institutionalism.[5] In these approaches, any international community needs a leader, and the United States has reluctantly (in the 1920s and 1930s) but gradually (after World War II) embraced this responsibility.[6] Moreover, international institutions both make this leadership possible by credibly limiting U.S. power and embedding that power in social relationships that endure long after material capabilities have waned.[7] This view resonates with what is variously known as the *Pax Americana* or the Liberal International Order, largely confined to relations between the United States and Europe since 1945. Here, it is easy to imagine sovereign states entering into international cooperation freely and voluntarily in their mutual self-interest – cooperating "under anarchy," as it were.[8] Breaking with past intellectual traditions that emphasize the use of military force to defend or extent the national interest, a continental European or "realpolitik" version of international relations, this view recognizes that the United States has rarely used direct coercion to accomplish its aims.[9] Instead, this view turns our attention to "soft power" and institutional, structural, or even protean conceptions of power that seek to identify how one state influences the aspirations, strategies, and policies others believe to be appropriate.[10] In short, a particular view of the United States as the leader of an international community subtly and perhaps unwittingly permeates core theories of International Relations.

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[5] Hoffmann 1977; Weaver 1998.
[6] Kindleberger 1973; Gilpin 1975; Gilpin 1977; Gilpin 1981; Gilpin 1987; Krasner 1976.
[7] Keohane 1984; Ikenberry 2001.
[8] Oye 1985.
[9] For one of the first to point this out, see McKeown 1989.
[10] On soft power, see Nye 2004. On various forms of power, see Barnett and Duvall 2005; Lukes 1977. On protean power, see Katzenstein and Seybert 2018..

In a second view, the United States is an imperialist power, a domineering force in world politics, that imposes its will upon others and exploits weaker states. Through originating in the Latin term *imperium*, describing a particular institution of rule, the term imperialism was first used to denounce Napoleon III's attempts to dominate Europe, and was later extended to criticize Western dominance of non-European countries or cultures. Whether through direct coercion or structural power that limits the options and even the imaginations of other countries, in this view, the United States is a commanding presence that seeks only to produce a world conducive to its economic and political interests.[11] Rather than attracting support, U.S. imperialism is understood to produce resistance and defiance, as it is the duty of other states to oppose domination and defend their autonomy and national interests. This view is held by critics of U.S. foreign policy at home and abroad, and is often applied to relations between the United States and various developing countries.[12]

This more malign view of the United States has also been incorporated into the discipline of International Relations, but again as an American social science largely populated by Americans who at least implicitly hold generally positive views of their nation and its actions, the view of the United States as an imperial power has largely been consigned to the margins of the field. Marxist or World Systems theories embraced this view and were popular during the 1960s and 1970s when it was possible to be more explicitly critical of U.S. foreign policy, but have largely passed from the discipline.[13] The tradition survives in critical theories that aim to reveal forms of hidden power in the public arena and, equally, in the discipline of International

[11] See Galtung 1971.
[12] For an early example, see Williams 1972.
[13] See Magdoff 1969. and Wallerstein 1979.

Relations itself.[14] The study of imperialism has enjoyed a resurgence in the United States in the wake of the Iraq War of 2003.[15]

These views are difficult to reconcile. At their cores, each rests on an assumption about the character of the American people (or their government) as either inherently virtuous or good, though sometimes failing to live up to their highest aspirations, or inherently immoral, even if they sometimes rise above self-interest. And in attributing policy to character, studies are insufficiently sensitive to how similar aims and even similar strategies manifest themselves different in different regions at different times. Equally, the approaches are not necessarily wrong, but they are incomplete and partial. The United States did lead in Europe in the postwar period, for instance, and act imperialistically in the developing world during the same era. The problem is that these partial applications are then generalized to world politics as a whole. The United States is a hegemon providing public goods within international institutions. The United States is an imperialist country that exploits others. Without qualification and a recognition that each view is limited and applies only sometimes to some places, we are grievously misled about the fundamental nature and consequences of international relations.

U.S. power is neither good nor bad, noble or evil, but exercised opportunistically in response to local conditions. Since the late nineteenth century, the default mechanism of hierarchy for the United States has been indirect rule, though for large areas of the world it does not have enough specific assets to warrant any form of rule and in some instances, when indirect rule proves impossible, it does resort to coercion. Indirect rule, in turn, varies according to the interests of the United States in particular states and regions and by the local partners it can

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[14] For core readings and an overview of critical theory in international relations, see Roach 2019.
[15] See Bacevich 2002; Barder 2015; Calhoun, Cooper, and Moore 2006; Cox 2004; Ferguson 2004; Hopkins 2018; Jamal 2012; Johnson 2004; Jones 2009; Mann 2003; Odom and Dujarric 2004; Chandrasekaran 2006; Grandin 2010; Harvey 2003; Hoffmann 2004; MacDonald 2009; Sharman 2013.

recruit as allies to further its goals. In Europe after 1945, the United States and the mass publics had sufficiently aligned goals such that indirect rule worked invisibly and democratically, creating the invited empire. Here, the United States did lead through consent and, though its hierarchy was masked, relations appeared as if countries were cooperating of their own accord. Elsewhere, however, the United States and mass publics had very different interests, and the United States allied with local elites dependent on Washington to maintain their political position and favored policies. Though elites benefited from this collaboration, the average citizen was oppressed, politics were autocratic, and subject peoples blamed the United States -- at least in part, and not without cause -- for their plight.

The United States is currently at a crossroads in its relations with the rest of the world. Under the press of nationalist-populism and the unilateralist "America First" agenda promoted by President Donald Trump and embraced by the Republic Party, the United States is questioning its historic commitments to Europe and the larger Liberal International Order in which these relations are embedded. Interests between the United States and its "allies" have been drifting apart since the end of the Cold War. Europe has turned inward, building and enlarging the European Union. The United States has turned outward, seeking to extend its influence into the Middle East in a New World Order. Reflecting these larger trends, President Trump has threatened to pull out of NATO and pushed questions of burden-sharing within the alliance and in economic relations to the top of the geopolitical agenda, even pulling U.S. troops out of Germany and South Korea in retaliation for supposed "exploitation" of the nation's goodwill. The attempt to expand U.S. rule into the Middle East after 1990 has also failed. Although the United States has maintained ties with and continues to rule through elite-based regimes in Egypt, Saudi Arabia, and elsewhere in the region, the efforts to integrate Iraq and

Afghanistan into a U.S.-led system and to rule these countries through proxy regimes came to naught -- but at great expense. Not only was the effort stillborn, but it turned Americans against the very ambition. President Barak Obama attempted to extricate the United States from Iraq and Afghanistan, without success, as has President Trump, announcing a withdrawal of U.S. troops from Syria, only to reverse himself days later, and negotiating with the Taliban in order to withdraw U.S. forces from Afghanistan prior to election in November 2020. Finally, the rise of China is challenging the United States, almost certainly in my view leading to a new Cold War. As China increasingly seeks its own sphere-of-influence and indirect rule through the Belt-and-Road Initiative, the United States is "pivoting" to Asia. And although it has maintained historic ties to Japan and South Korea, now reinforced by the threat from a rising China, it abandoned Southeast Asia after the Vietnam War. Countering Chinese efforts in that region, and also in Africa where the United States has had few geopolitical interests in the past, will necessitate new relationships at a time when the United States is increasingly unwilling to pay the costs of rule.[16]

As we sit at this crossroads, debating whether to turn left, right or forge straight ahead, understanding how U.S. influence has worked for the last 125-plus years and varied according to local circumstances may shed light on a way forward. Explaining when hierarchy is necessary and when indirect rule is possible with what consequences helps illuminate the opportunities as well challenges ahead. Indirect rule will remain a key mechanism of U.S. foreign policy. Yet, how this relationship works and where it is feasible remains poorly understood. Knowing how we got to where we are is essential to plotting a course for the future.

The Argument in Brief

[16] See Lake 2017; Lake 2018.

Indirect rule was a common feature of European imperialism.[17] With typically small numbers of merchants limited to coastal entrepots protected by equally small numbers of troops, Europeans could not hope to govern directly the colonial territories they claimed. In nearly all cases, with the settler colonies being partial exceptions, European imperialists allied with and governed through local leaders – sometimes manufacturing such leaders as "traditional" rulers.[18] Profiting from their positions as intermediaries between metropole and colony, these indigenous leaders maintained internal order while largely complying with the dictates of the distant capital. This was true even in India, the jewel of the British empire, which the crown ruled through the private British East India Company which ruled, indirectly, through local princes, zamindars, jagirs, and other aristocrats.[19] Although the subcontinent progressively succumbed to direct rule, at the time of independence in 1947, 565 princely states still remained governing 40 percent of the territory and 23 percent of the population of colonial India. Even in areas where the British claimed direct rule, London was dependent on local bureaucrats and, importantly, indigenous troops to maintain order and control. The British never governed this imperial prize alone. Despite differences in form across space and time, European empires shared the common trait of at least some degree of indirect rule. These political alliances of convenience allowed distant Europeans to govern populations and territories often larger than themselves for centuries. Indeed, one of the criticisms of indirect rule is that it worked too well, elevating local rulers – chiefs, clan leaders, nabobs – who today continue to block the consolidation of central authority.[20]

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[17] For general reflections in indirect rule under European imperialism, see Abernathy 2000; Newbury 2003.
[18] See Mamdani 1996; Boone 2014.
[19] Fisher 1991.
[20] Boone 2003; Herbst 2000.

The United States in the past and even today governs its subordinate states the same way as Europeans governed their empires. Through hierarchical relations of indirect rule, the United States allies with local groups who have interests that are more closely aligned with its own than those of domestic opponents. Unable to implement their preferred policies on their own, these groups collaborate with the United States and, in exchange for support in suppressing their opponents, adopt policies favored by both themselves and Washington. In this way, the allied groups govern in their own self-interest in ways preferred by the United States. One key strategy of the United States is to offer a guarantee of regime survival to often politically precarious elites, who can then implement policies they prefer that also favor the United States. Such a guarantee, however, provides no incentive for elites to offer the United States any policy more favorable than the one the elite itself prefers. To induce further compliance with its wishes, the United States must offer additional compensation, typically in the form of policy concessions on other dimensions, that provide additional benefits to its local allies if they will shift policy further in the direction preferred by Washington. Together, the regime guarantee and additional compensation form the governance costs of indirect rule, which in turn limit the extent to which the United States chooses to exercise its influence and control over others. Since indirect rule is costly, it will be undertaken only when the United States has incentives to rule, and especially when it has specific assets at risk in the country or region, such as militarily strategic ports or facilities or investments in plantation agriculture, raw materials extraction, infrastructure, and government loans. The greater the specific assets at risk, the greater the governance costs United States is willing to bear to rule a country. In short, indirect rule depends on the 1) alignment of interests between the United States, an allied group with interests closer to that of the United

States, and a domestic opposition with interests further from that of the United States, 2) specific assets at risk, and 3) governance costs.

Indirect rule must also be compared, however, to the alternatives of domestic rule and coercion.[21] Under domestic rule, a fully sovereign state decides policy autonomously in response to its internally-defined interests and external incentives. Though it may enter into agreements with others -- even agreements that may, for limited purposes, delegate authority to some supranational body -- it retains the right and ability to decide whether others are complying with terms of the bargains and how to respond to noncompliance. In the absence of rule by one country over another, normally characterized by International Relations scholars as "anarchy," we can think of strictly domestic rule as occupying one end of a continuum of dyadic relationships of increasing hierarchy. At this extreme, the country may engage with other countries, be subject to the normal pushing and pulling of international politics, balance or bandwagon with others, cooperate or not with partners, and so on. Domestic rule is most likely when there are few specific assets at risk, and the dominant state simply does not care that much about the policy adopted by the state, or when the governance costs of indirect rule are very high. Even today, there are large areas of the world where the United States has few assets of concern and the costs of supporting a local ally against opposition would be so high that it is deterred from attempting rule, including much of Africa, South Asia, Southeast Asia, and South America. The huge governance costs of attempting to rule Afghanistan and Iraq indirectly have also led the United States to withdraw from states once thought to be crucial to the global war on terror and to reevaluate its ambitions abroad.

[21] On modern forms of indirect rule, see MacDonald 2014; Clapton and Hameiri 2012; Zimmermann; Gerring, John et al. 2011.

Under coercion, the dominant state imposes its will on the subordinate society through victory in war, threats of war that induce policy concessions, or other painful sanctions. Here, both the opposition and what might have been the allied group within a subordinate state are forced to accept a policy or outcome that leaves them worse off than otherwise. This is the traditional and most basic understanding of "power" in international relations, based on differences in material resources and national resolve. The less costly is coercion to the dominant state relative to the subordinate, the more likely it will resort to this option. Often overlooked, however, is the important caveat that the costs are always defined relative to the issue in dispute between the two countries and, thus, differences in power do not always create incentives to coerce others. Countries are unlikely to pay the costs of war, for instance, to impose their will on others over most issues, creating the distinction between "low politics" when the use of coercion is costly relative to the matter in dispute and, therefore, any threat is not credible, and "high politics" when the threat of coercion is credible. In turn, the expected utility from using coercion must also be compared to the policy gained and the governance costs of indirect rule. As we shall see, for both of these reasons, the United States has used coercion only sparingly and relied instead on indirect rule when it has aimed to influence others.

The consequences of indirect rule, in turn, are profound, and vary systematically with the nature of the allied group. When the United States rules indirectly through a small elite dependent on it for support, that elite must govern autocratically and repress the rest of society. Such an elite regime simply cannot win elections, or at least not free and fair elections. Even though the United States might espouse democracy, to gain the policies it prefers it has little choice but to back autocratic rule. Both the elite and the United States, in this case, will be regarded by the majority of the public as illegitimate and – even if open revolt is effectively

suppressed – relations will be plagued by anti-Americanism. As suggested above and as Part III of this book argues, this was the relationship between the United States and countries on the Caribbean littoral in the twentieth century. Washington backed the landed elites against largely landless peasants and wage laborers, producing deep anti-Americanism that can still today be invoked to mobilize the masses against the United States, as the case of Venezuela continues to make clear. As argued in Chapter 4, we see much the same pattern in the Middle East today.

Conversely, when the mass public is more favorable to the policies desired by the United States but the public does not feel entirely confident in its ability to retain power – perhaps because of challenges from a radical left or right -- the United States can through indirect rule not only get policies it prefers but support democracy at the same time. In so doing, it can also earn a measure of legitimacy for its rule, mitigating any backlash and limiting anti-Americanism. Again, as implied above and examined at greater length in Part II, this fits the empire by invitation that developed between the United States and Europe and Japan after 1945.

When rule is indirect, international hierarchy is sometimes hard to distinguish, especially from anarchy, and thus scholars and analysts have underestimated its extent and importance in international politics. Under the "imperial" extreme, as in the European overseas empires, rule is obvious. A subject territory is claimed or seized, control established, governors and magistrates appointed, and edicts issued by the metropole. Although there might be some powers delegated to local intermediaries, the power to determine those authorities as well as major questions of policy are reserved to the imperial state. When Britain went to war in 1914 and 1939, for example, its Empire and all its peoples and resources automatically went to war as well. When subordinates retain their sovereignty, however, and comply with the wishes of the dominant state even in the absence of any explicit threat of coercion, we often assume we are observing

voluntary or autonomous diplomacy in relations of anarchy, when in fact it is often hierarchy through indirect rule in action. When conditions align under indirect rule, allied groups appear to adopt policies preferred by the dominant state of their own volition. With the dominant state paying the governance costs of suppressing resistance by their domestic opponents, the allied group will actually encourage the external assistance that allows it to increase its political power and serve its own self-interests. In equilibrium, all this looks like "cooperation." Only by recognizing its subtle nature and how external support bolsters the political position of groups with sympathetic policy preferences that could not otherwise survive in office can international hierarchy through indirect rule be seen and, hopefully, understood.

Plan of the Book

Chapter 2 explains the theory of indirect rule that animates the remainder of this volume. After reviewing when and why international hierarchies form, it then develops a simple model that aims to capture the core logic of indirect rule as a mechanism of international governance. The final section surveys the method of analytic narratives used in the following chapters. Analytical narratives are best understood as a conversation between theory and history, with each informing the other. As a consequence, I make no claim to test the theory per se in the remainder of this volume, only to demonstrate that it allows us to understand and interpret the past more clearly and accurately.

Part II examines relations between the United States and Europe following World War II, concentrating on the period through 1956 when the basic structure of the postwar order became set in stone, as it were, with West Germany's entry into NATO. This set of cases is relatively well known to scholars of International Relations, and thus this chapter is a bit briefer than those that follow. According with the usual depiction of the United States as the "leader of the free

world" or a benevolent hegemon, this chapter highlights how interests between the United States and its "allies" were brought into sufficient alignment after the war to sustain a system of indirect rule in ways that were consistent with democracy.

The remaining sections investigate cases of indirect rule where interests between the United States, elites, and the mass publics were not so closely aligned. In these cases of international hierarchy, the United States ruled indirectly through elites who were more or less sympathetic with U.S. policy goals. Despite their differences, in most cases policy largely conformed with U.S. interests. In all, however, the broad public eventually came to oppose and sometimes resist the informal empire created by Washington. Part III examines the first U.S. informal empire in the Caribbean and Central America from approximately 1880 to 1940. Although U.S. engagement in the region began in the 1930s, Part IV focuses on U.S. indirect rule in the contemporary Middle East, including the relative "successes" of Egypt and Saudi Arabia and the failures in Iraq and Afghanistan.

The Conclusion revisits the core argument and findings of the theory, summarizes when indirect rule is and is preferred, and then develops the policy implications of the analysis. To preview, three key considerations follow. First, indirect rule in the Middle East today may be a "bridge too far." Though the United States may want to keep its ties to existing subordinates, extending U.S. rule further into a region where the policy preferences of the majority in each country are vastly different from those of the average American may be just too costly to sustain. Better to withdraw than to expend blood and treasure in what is likely to be a fruitless quest for "stability." Second, as China expands and seeks to build its own informal empire, including its own relations of indirect rule, the United States will need to recruit new allies willing to subordinate themselves to Washington rather than Beijing. This means devoting new effort to

regions that have previously been ignored by the United States, as in Southeast Asia and Africa, and beating the Chinese in the quest for indirect rule. While we might hope to forestall broad competition with China for influence around the globe, the United States should begin cultivating sympathetic allies now – even recognizing this increases the likelihood of U.S.-Chinese competition breaking out into a new Cold War. As in the cases in this book, there is no single U.S. strategy that is appropriate in all places at all times. While the United States may want to scale back in the Middle East, it will need to expand its role elsewhere.

Finally, although it may be morally repugnant, hierarchies maintained through indirect rule will often be undemocratic ad illiberal, conflicting with the values espoused by many Americans. Postwar Europe was an anomaly, a set of unique cases where the United States could rule indirectly with the support and approval of significant majorities within its client states. As the other cases in this book show, the modal form of indirect rule has relied instead on small elites who necessarily govern autocratically. The United States mostly gets the policies it wants, but at the cost of compromising its commitment to democracy and support for human rights. If the United States wants to rule in the regions it will be called up to do so in the years ahead, it must learn to live with SOBs, in the words of President Franklin Delano Roosevelt, as long as "they are our SOBs." If the American people cannot accept this violation of deeply held beliefs, and I am not suggesting they should, the United States will face tough choices. The United States will either have to allow other countries to set policy in their interests – policies that may conflict with U.S. interests – or use more coercion more frequently to force policy concessions. With the aid of this book, hopefully we will at least understand the choices and their consequences better than in the past.

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