

Dangers to Democracy in an Era of Globalization and
American Hegemony: A Historical Perspective

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Gary Gerstle, University of Maryland, U.S.A.

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A Historical Perspective**

Gary Gerstle
University of Maryland

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I thank Professor Ken Endo and the other organizers of this conference for asking me to come here today to discuss with you the dilemmas of democracy in our age of globalization and American hegemony. This is a most important topic. I have decided to approach this subject from a historical point of view (perhaps because I am a historian!) and to analyze the history of globalization and of its relationship to democracy from the mid-nineteenth century to the present. The historical account that I offer you today comes in four parts. The first part examines (briefly) the vigorous era of globalization that emerged under Pax Britannica in the 19th century. The second part explores the cataclysmic collapse of that globalization in the decades following World War I and, with it, liberal democratic regimes almost everywhere in the world. The third part explores the reestablishment of a “free world” global system under the leadership of the United States in the decades following World War II, a system that stands out today as an example of how globalization can be made to serve simultaneously the goals of capitalism and democracy. Finally, the fourth part examines the globalization and Pax Americana of our time, an international order far more hostile to democratic controls than that of the “free world” global system that had preceded it.

The historical orientation of this exploration will show that globalization is not a new phenomenon. It will demonstrate as well that globalization has not been a single, irresistible force immune to economic reversals or political controls. Contingency, variability, instability, and reversibility have been central to its history. Recognizing the complexity of this past will help us to recognize the complexity of our own moment and reveal the choices we must make to ensure that democracy remains integral to the global world in which we live.

I. Globalization and Pax Britannica, 1850-1917

Ever since the Europeans embarked on their projects of world exploration and colonization in the sixteenth century (and perhaps even before), globalization, defined as the flow of goods, finance, persons, and information across national boundaries, has been an important feature of the world economy. Of course, the goods and services in the sixteenth and seventeenth centuries flowing across political borders formed only a small percentage of today's flow and the speed of those flows was an infinitesimally small fraction of current speeds. But this should not distract us from understanding the importance of world trade and what Immanuel Wallerstein has called "world systems" of production, exchange, and governance to the world economy from the 1600s forward.¹

If we flash forward to the late nineteenth and early twentieth centuries, we encounter a more vigorous and, in terms of speed of transactions and movements, accelerated, period of globalization, much of it developed in the nineteenth century under Pax Britannica, a period of British economic and naval supremacy during which Europe and the United States and later Japan achieved remarkable rates of economic growth in conditions of relative peace. Then, like now, transportation breakthroughs (trains, steamships, and cars), technological innovations (the

internal combustion engine, electrical generators), communication advances (the telegraph and telephone), and new forms of corporate organization (giant horizontally and vertically integrated enterprises with multinational reach) invigorated international production and exchange and generated levels of wealth and concentrations of private economic power unimaginable a hundred years earlier. Then, like now, the globalization hegemon, Britain, was both supreme and vulnerable to challenges by would be hegemons--the United States and Germany. Then like now the principles of internationalism, free trade, and political liberalism were hailed by many as the best guarantee of global prosperity and order.

II. The Collapse of the Global System, 1917-1945

As significant as the robustness of this era of globalization was its instability. Capitalist growth fissured industrial societies, generating social conflict between the rich and the poor. Anxieties about the unregulated nature of private enterprise and the tyranny of the business cycle, about internal social conflicts, and about the inability of international markets to absorb exports convulsed the politics of industrial nations. National elites translated this anxiety into fierce competition with each other for colonies, economic growth, and military power. The Great War was one logical result of this competition, as was the emergence of a nation, the Soviet Union, that rejected both participation in the global economy and the liberal-capitalist ideology that underlay it. The industrial powers attempted to strangle this renegade anticapitalist nation at its birth and, when this failed, to banish it from the international order of nations. But the campaign to isolate the Soviet Union, though partially successful, was undercut by support and interest that the Soviet Union generated among the masses in many parts of the world. Its very existence and appeal posed a threat to the global economy.

Soon after the Soviet Union's establishment came the Great Crash of 1929, an economic depression that began in the United States, spread to the rest of the non-Soviet industrialized world and resulted, arguably, in the greatest challenge to capitalism and a liberal international order that the world had yet seen. Not only did international trade collapse and national economies wither, but the very political principles that had underlain this system—economic and political liberalism, internationalism, and free trade—were almost everywhere rejected. Collectivisms of the right (Nazism and fascism) and the left (communism) replaced liberalism, dictatorships replaced democracies, aggressive and militaristic nationalisms replaced the internationalism embodied by the League of Nations, and economic autarky supplanted economic interdependence. Between 1920 and 1944, the number of democracies in the world shrank from 35 to a meager 12 (out of a global total of 64 states).²

From the safe perspective of the long duree, it is possible to argue that interruption of globalization that occurred in the interwar years was destined to be rather brief and that the “tracks of history” required that its pursuit soon be resumed. Indeed, by the late 1940s, fascism had been defeated and communism had been contained. The non-Soviet world, under U.S. leadership, began rebuilding national economies and integrating them into a new noncommunist world order of trade and finance under American sway. But this is a rather glib way of passing over the economic devastation caused by the Great Depression, the human devastation caused by the Second World War (57 million soldiers and civilians dead), and how close Germany and Japan had come to prevailing in that war and building a new world order on the basis not of liberal capitalism but of right wing collectivism. Think of these what-ifs:

- What if England had either accommodated itself to a Nazi controlled Europe or failed to resist the Nazi effort to bomb the English into submission?

- What if Germany, in reaction to the Japanese attack on Pearl Harbor, had not declared war on the United States, and the United States, where isolationist sentiment was strong, decided to let the Nazis have their way in Europe?
- What if Germany had not broken the Hitler-Stalin Pact in 1941, had not invaded the Soviet Union that same year, and had not suffered, at the hands of the Red Army, a shattering and unexpected defeat at Stalingrad in 1943?

My point is simply this: it is not so farfetched to think that Germany could have established a more permanent Third Reich in Europe, and perhaps used its power to help the Japanese secure a more permanent Asian Co-Prosperity Sphere in East Asia. And if these events had come to pass, we would no longer be interpreting the twentieth century in terms of globalization's triumph.

III. A “Free World” Global System, 1945-1973

With this history in mind, we should not assume that today's globalization is any more irreversible than the globalization of a hundred years ago. We need to recognize, too, that the resuscitation of globalization after World War II happened not “naturally” or “inevitably” but from deliberate steps taken by the victors in World War II, not only to govern and stimulate international economic relations but also to regulate the internal market chaos in Europe, the United States, and Japan that had so damaged national economies and societies in the interwar years. The latter took the form of a series of economic and political compromises, brokered by national governments, between capitalist elites on the one hand, and the working and middle classes on the other. These compromises rested on three basic principles: first, capitalism would be permitted to do what it does best—generate production and wealth; second, that the national governments would possess fiscal and monetary powers to moderate the business cycle and prevent severe market chaos; and third, that in the core noncommunist countries, a sizable

amount of capitalist wealth would be redistributed from capitalists to the working and middle classes through wages, insurance programs, and welfare policies. This transfer would permit the creation of industrial societies freed from disfiguring social conflict and in which everyone would have a chance to live decently.

These arrangements had various names: social democracy, democratic capitalism, Keynesianism, and, in America, liberalism. They worked to invigorate the forces of capitalism and those of democracy alike, both domestically and internationally. The conception of democracy that underlay them was more robust than what liberal democracy usually implies: a constitutionally guaranteed rule of law; freely elected governments and representative assemblies; unalienable rights to life, liberty, and property that states cannot abrogate. It included as well a commitment to ensuring that democratic institutions would be open to popular influence. And this openness made equality—or the reduction of inequality—a central goal of democratic politics, which explains why redistributionist policies were so integral to domestic social policy in Europe, the U.S., and Japan between 1945 and 1973. This emphasis on social democracy came about not just through the beneficence of far-sighted elites, who, recoiling from the abyss of the 1930s and 1940s, now recognized the errors of their earlier ways. They came about as well because of the success of social movements from below (especially labor movements) sometimes 50 to 100 years in gestation, in making claims on their states in the name of social justice and equality. The significance of these movements can be gauged by the behavior of British voters in 1946: they threw their great war leader, Churchill, out of office, and put in his place a labor administration more equipped than Churchill and his Tories to deliver on a compromise between capital and democracy. The Tories had won the war, but British voters believed they needed Labour to deliver internal peace.

These compromises were by and large developed within nations, not beyond them, although they did depend on assistance from the United States and international economic and military organizations working under its aegis. I do not want to minimize the importance of these international organizations—the IMF, World Bank, Marshall Plan, NATO, and SEATO—or the role of the United States in becoming the hegemon of a reconstituted “free world.” International economic and military aid was indispensable in putting the wrecked industrial economies and societies of Western Europe and Japan back on their feet (and forestalling Soviet expansion—more on that later). Nevertheless, the point of reconstruction was to reinvigorate national economies and the political sovereignty of nation-states.

This is what happened, symbolized most of all in the economic recovery of West Germany and Japan and the emergence, for the first time, of stable democratic systems in these two polities with sovereignty over the critical economic and social issues confronting their societies. Nations, after World War II, remained what they had been prior to the conflagration: the critical economic and political units of an international order. Indeed, the institutions of the new international order worked to promote the integrity of nations, at least in the industrial core of that order: the United States, Western Europe and Japan. Thus, for example, the financial controls established through Bretton Woods worked to bolster the integrity of a variety of national currencies, and to make sure that international capital movements did not eviscerate them.

Simultaneously, nationalism, as an expression of social solidarity within polities, retained its importance, even as the bellicose nationalism of the pre-1945 world receded from view. Because we are all British, or American, or French, or West German, or Japanese, politicians in these societies declared, we owe our countrymen and women both protection from economic

chaos and a chance to participate in the bounty that our capitalist institutions will create. Successful social welfare states grew out of the soil of national belonging. The prestige of national belonging and nationhood manifested itself, too, in the rhetoric and aims of the anticolonial movements that emerged in the postwar world. These anticolonial movements embarked on struggles of “**national** liberation;” they wanted most of all to make their countries into sovereign nations on the European, U.S., Japanese, or Soviet model. And many of them succeeded, for a time, especially as the competition between the free and communist worlds allowed them to play the United States and the Soviet Union off against each other and thus to ratchet up the amount of economic and military aid coming their way.

The threat posed by the Soviet Union and its allies to the global capitalist order caused the latter to transfer a greater amount of First World resources to developing countries than would otherwise have been the case. This same dynamic shaped the internal politics of nations in the First World. The fear of communism inclined economic and financial elites in the United States to give their support to the New Deal Order and to the mildly redistributionist policies that it had created. It impelled the U.S. government to rush huge sums of money to Europe under the Marshall Plan, with the hope that such massive assistance would forestall what the U.S. feared was imminent: the establishment of communist regimes in western European countries. Likewise, the worry that the Soviet Union and China were on the verge of taking over East Asia and removing its markets from the global capitalist economy informed the deep American commitment to reconstructing Japan. The post-World War II international capitalist order flourished, if we measure its success in terms of generating affluence and invigorating democracy in core countries. But it was an order that always had to work within geographical

and ideological limits imposed by the Soviet Union and its rival global system; one might argue, as I will, that those limits were one of the keys to the international capitalist order's success.

V. Contemporary Globalization, 1973-2004, and Pax Americana

The global order established after World War began to give way to our contemporary period of globalization in the 1970s and 1980s. Three developments seem particularly crucial to the era in which we now live: first, the economic turmoil of the 1970s, triggered by the Israeli-Arab War of 1973 and the emergence of OPEC, that challenged the legitimacy of social democratic regulatory policies in the United States and Europe and brought "market fundamentalists" such as Ronald Reagan and Margaret Thatcher to power; second, the technological breakthroughs in electronics and computer science that produced the information revolution of the 1980s and 1990s and that made possible radical increases in the size, power, reach, and speed of capital, trade, and information markets; and third, the defeat of the Soviet Union and international communism in the late 1980s and early 1990s and the end of the Cold War.

These developments are so well known, and I have so little time, that I won't narrate them today. But I do want to dwell on their consequences for globalization. On the positive side, we have witnessed, these last twenty-five years, vast increases in world trade and a vast generation of new wealth. Core nations in the Cold War international order have maintained or regained their prosperity during this period—not always without difficulty—while a large group of once secondary nations—those that were once peripheral to centers of capitalist power, or were locked up behind the Iron Curtain, or were just plain poor—are now knocking on prosperity's door: among them are South Korea, Taiwan, China, Malaysia, the Czech Republic, Hungary, Poland, Spain, Portugal, and Greece. The number and vigor of democracies have also

increased in this period of globalization. Some have emerged out of the collapse of the Soviet bloc, others, such as those in South Korea, Taiwan, and Chile, have emerged from dictatorships as a result of the increased power of middle classes in those countries and their desire to protect themselves and their property from the state.

But there have also been negative consequences to our current era of globalization. The vast increase in the volume of international trade, in the strength of multinational corporations, and in the importance of global financial markets have made it difficult for ordinary citizens anywhere in the world, whose political power is, by and large, delimited by the nations in which they live, to exercise sovereignty over economic matters. National economies and nation-states are no longer the central players in the global economic order that they were in the thirty-year period after World War II. The ability of nation-states to direct their own economies—to defy or modify the global capitalist imperatives—has atrophied. Limiting or regulating the penetration of foreign capital or foreign goods, redistributing wealth within a society through social welfare policies or publicly funded programs for health, education, and transportation, have become more perilous affairs. That this effective loss of internal economic control has happened just as many developing nations have embraced democracy is deeply ironic and carries with it potentially explosive political consequences. Among these consequences are the surge of ethnic hatreds in many newly democratic nations and the trend toward “illiberal democracy” that Fareed Zakaria, Amy Chua, and others have begun to examine.³

Not all nations have lost power in the international arena of course; the United States certainly has not. Having vanquished its chief enemy, the Soviet Union, and reinvigorated its economy through quick application of the tools that the information revolution has made available, it is the new global hegemon, exercising enormous economic, political, and military

power throughout the world. In addition to the influence that it officially exercises through its formal state institutions—the Federal Reserve, Congress, the military—the United States has accumulated additional influence through the informal control it exercises over nominally international institutions such as the IMF and the World Bank. Through these institutions, the United States can control the conditions under which poorer nations will be allowed to participate in the world economy, and also to take steps to protect its own economy while allowing market forces to impose “corrections” on “out-of-control” economies elsewhere, as it did in the East Asian crisis of the late 1990s.

With this extraordinary economic power has come political arrogance, apparent especially in the policies of the Bush Administration. The key foreign policy players in that administration—Richard Cheney, Donald Rumsfeld, and Paul Wolfowitz—regard the U.S. victory over the Soviet Union as one of the great triumphs in world history, and they locate the roots of that triumph in the Reagan Administration, which repudiated both the “Vietnam guilt” that had made the Democrats alleged quislings in foreign affairs and détente, a policy, that, in the hands of Republicans Richard Nixon and Henry Kissinger, had sought accommodation to Soviet power and influence. Reagan reasserted American pride and principles, stood up to the Soviet Union, and brought that “evil empire” to its knees. The lesson that current Bush administrators draw from that experience is that America must be ready to risk confrontation, with both friends and enemies, in pursuit of its principles. That lesson has now been integrated into formal foreign policy doctrines of unilateralism and pre-emption, which arrogate to the United States the right to act on behalf of its fundamental interests anywhere in the world at anytime.

The Bush Administration insists that no American interest is more fundamental than the spread of freedom and democracy to more of the world’s peoples. But we have reason to doubt

the sincerity of that formulation, in part because of the important role that the political economy of oil and imperial geopolitics have played in U.S. invasions of Afghanistan and Iraq. We have reason to doubt it, too, because of the Bush Administration's contempt for the practice of democracy in the United States. It is hardly a secret that democracy in the United States is sick. No more than half those Americans entitled to vote regularly do, even in major presidential elections. Private money has swamped the political process, recreating the conditions of crony capitalism (relations between the administration and Enron and Halliburton are one example of that phenomenon) and making politicians more responsive to special interest lobbies that pay for their campaigns than to the American people whom they swear on a Bible to represent. Finally, the Republican Party, with the aid of a Republican dominated Supreme Court, stole the election of 2000, which should have gone to the Democratic candidate, Al Gore, the true winner in Florida. Had this fraudulent election occurred in another country, Americans would have labeled it a disgrace, even a coup, and demanded that international inspectors along with international troops be sent in to supervise a recount of disputed votes. Increasingly America has become an imperial rather than a democratic nation, both abroad and at home.

As the mechanisms of popular rule have atrophied or been violated, the influence of ordinary Americans on their own government has weakened. Government policy on matters of taxation, employment, and the environment increasingly favor the rich. The governing Republican Party is in the process of eliminating the limitations on the transmission of wealth from one generation to another, creating the conditions for a permanent gentry class to establish itself. As the power of the labor movement has declined, the ratio of an average executive's pay to an average worker's pay has skyrocketed, from 25 in 1968 to 419 in 1999.⁴ Thirty years ago, a husband and wife could reasonably hope that one wage-earner could take care of their family's

economic needs. For most Americans today, that hope is pure chimera. The great symbol of the American economy is no longer General Motors, but Wal-Mart, a vast archipelago of general service discount stores that pays its workers the minimum wage while putting them under a harsh regime of supervision and coercion, including locking up overnight employees so that they cannot leave the warehouses in which they work, even when they are sick or injured.

Middle-class Americans once regarded Wal-Mart style exploitation as a phenomenon affecting only “losers” in American society, meaning “working stiffs” not smart enough to get an education, decent jobs and decent pay. But now the middle class itself is suffering from the race to the low-wage bottom, as white collar corporations seek to lower their labor costs by outsourcing their work to cheap labor countries with educated work forces. This is now affecting, for example, the computer programming industry, as companies such as Microsoft have discovered how much cheaper it is to do their work in India than in the United States.

Overall, America is a richer nation than it was in the 1960s, but not a more egalitarian or democratic one. To the contrary, U.S. political leaders have repudiated the compromises between the economic elites and the middle and working classes that had characterized the previous era of globalization, from 1945 to 1973.

It would be wrong to interpret these developments simply in moral terms—as though they are solely the result of a “bad” Bush Administration and will vanish if a “good” Democratic administration were to be elected in 2004. These developments, rather, are deeply imbedded in a world economy in which the prerogatives of capital are supreme and are served by an ideology of “market fundamentalism” that, in the aftermath of communism’s collapse, has no serious rival. If we look back on the golden era of globalization, 1945-1973, we can argue that one of its key structural elements was a limit on capitalist expansion and markets. Capital couldn’t go

anywhere or do anything. The United States had a serious rival for world dominance and risked not just economic but political adversity if it permitted Third World nations to descend into misery and poverty. Redistributing some wealth from the core to the periphery, or within the core itself, was a policy that the United States sometimes pursued, if only for strategic reasons. One would be crazy to argue for a revival of communism and of the Soviet bloc as a check on international capitalism and American power; the tyranny, terror, and economic inefficiencies of communist regimes are beyond dispute. But, one may ask, where might we look for forces to tame capitalism and U.S. global power? There are three likely sources: radical Islam; rival capitalist blocs in Europe and East Asia; and international social movements and governing institutions.

Radical Islam: Strains of Islamic fundamentalism are hostile to capitalism and modernity. Where Islamic radicals have come to power, such as in Afghanistan and Iran, they have demonstrated a willingness to remove their countries from the world capitalist economy. Indeed, the threat posed by Islamic fundamentalism, not just in terms of its willingness and capacity to spread terror, but also in terms of its hostility to international capitalism, stands behind the Bush Administration's decision both to go to war against Iraq and to undertake there a task of economic and political reconstruction every bit as immense, costly, and significant as the reconstruction projects in Japan and West Germany. The Bush Administration has embraced a set of policies in Iraq that, in the context of American politics, it despises: using U.S. public monies to build economic infrastructure (roads, railway lines, airports, schools, electrical generation), establishing a social welfare safety net, and putting key industries, such as oil, under public rather than private control. That these foreign policies stand in such sharp contradiction to U.S. domestic practices suggest that that they may not last long; certainly there is cause to worry

that Halliburton and other American construction and oil companies will be the true beneficiaries of U.S. policies in Iraq. Alternatively, if the establishment of liberal democracy in Iraq results in a radical Muslim party gaining power, the United States would either abandon its current policies and abandon Iraq altogether. Still, for the time being, anyway, the United States has, in Iraq, tempered its market fundamentalism, and, for the sake of democracy, committed itself to building a regulated capitalist economy. In the process, the United States has begun to transfer to Iraq significant sums, a policy reminiscent of the Cold War era and on which a renewed international commitment to wealth redistribution and capitalist regulation conceivably could be built.

Rival Capitalist Nations and Blocs: The European Union, China, and Japan each poses a challenge to American capitalist power and hegemony. One could argue that an international order presided over by three or four capitalist blocs rather than by one would be a superior way of guaranteeing long term global prosperity and democracy. It's not just that these rivals would check American capitalist and geopolitical ambitions. It is also that within their own nations or blocs, they might embrace a more egalitarian or redistributionist relationship between elites and masses than the one dominant in the United States and in the world order it seeks to establish. And if the United States had to compete against these other blocs economically, it might also feel compelled to compete against them politically and ideologically as well. World competition of this sort could alter domestic politics within the United States, in other words, pushing it away from its market fundamentalism and toward ideologies more social democratic in orientation.

A world system of rival capitalist blocs carries its own risks of course. The international hegemony of the United States is built not just on its economic power or on its cultural power, as Professor Dore has provocatively suggested. It rests as well on its military power, which, with

the eclipse of the Soviet Union, has no serious rival in the world except, potentially, for China. It seems unlikely that a world system of rival capitalist blocs could emerge without the European Union and Japan deciding to build up their own militaries so that they are no longer dependent upon, or intimidated by, American military might. And if we imagine broad scale remilitarization, and add to that an extended period of distress or uncertainty in the global economy, then we can also imagine the flaws of the pre-World War I system—ruthless economic competition, military rivalries, and aggressive nationalisms—coming back to haunt the world.

International Social Movements and Governing Institutions: At an earlier period of capitalist development, as I have already suggested, social movements internal to nations—principally labor movements and their supporters—played a pivotal role in modulating capitalism. These social movements always possessed international links, but they achieved their success principally within national polities, by forcing democratic states to act as brokers between themselves and elites. These social movements also depended for their success on their ability to connect themselves to nationalist sentiments: their legitimacy rested on their claim that they represented the interests not just of a class of workers but of entire nations.

These movements have had difficulty sustaining their power in this era of globalization for a variety of reasons: they are ideological outsiders in a world increasingly consecrated to market fundamentalism; they have been slow to adapt their class-based slogans born of an industrial world to a post-industrial era; and in nations where they have managed to stay politically strong, they find their control of state power rendered increasingly inconsequential by a global order in which nation-states matter less.

It does seem that for social movements to play a major role in regulating capitalism again, they must find a way to strengthen their international or transnational reach. There are signs that

this is beginning to happen. The network of international organizations, from Amnesty International, Doctors Without Borders and Oxfam to the International Labor Organization to international religious organizations, is far denser today than it was fifty years ago. The global antiwar protests that erupted in February 2003, involving as many as an estimated 10 million people across the globe, demonstrate how the new global infrastructure of news and communication had created novel possibilities for transnational forms of revolt. And the antiglobalization protests that have shadowed the regular meetings of the World Bank, the IMF, Davos, and other gatherings of international economic elites these last few years have demonstrated the potency of what we might call the western, antiglobalization “street.”

For these movements to be truly effective over the long term, however, they require international institutions of governance in which they can participate and through which they can exercise influence. To work, these institutions must both be democratic and acquire a portion of the sovereignty now claimed by nations for themselves; without such sovereignty, these international institutions will not be able to enforce their will (as the history of the United Nations has made clear).

Those institutions are struggling to be born. The World Trade Organization is one impressive example of this development. Nations that join must accept WTO rules as they exist, abide by WTO trade policies, and accept its adjudication of disputes. It is also true of course that the WTO succeeds first because membership is thought to confer immense economic benefits and second because it has largely insulated itself against popular or democratic pressures. It is difficult to imagine how a parallel organization to the WTO, the International Labor Organization, which monitors and attempts to enforce decent labor standards throughout the world, would ever be granted the power that nations have given the WTO.

There are other models of international governance, the European Parliament and, more generally, the European Union, being the most promising. It remains to be seen whether these pan-European institutions can sustain a healthy continent-wide democracy and invigorate a pan-European identity that will become a new source of social solidarity, able to take the place of solidarities once grounded in nationalism. And even if all this comes to pass, we will still not know whether these European arrangements can be emulated elsewhere, say in the Americas or in East Asia. Of the three paths for checking capitalism and U.S. global power, the invigoration of international social movements and the establishment of new institutions of international governance is arguably the most appealing but also the most utopian.

But the fact that there are at least three distinct paths for regulating capitalism and taming U.S. global power suggest that the global era in which we live has not robbed us of choice, agency, or options. The politics of our age are still very much up for grabs. The task of invigorating social democracy in this global age is the challenge of our time.

Notes

¹ Immanuel Wallerstein, The Modern World-System (New York, 1974).

² Eric Hobsbawm, The Age of Extremes: A History of the World, 1914-1991, (New York, 1994), 112.

³ Fareed Zakaria, The Future of Freedom: Illiberal Democracy at Home and Abroad (New York, 2003); Amy Chua, World on Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability (New York, 2003).

⁴ Kevin Phillips, Wealth and Democracy: A Political History of the American Rich (New York, 2002), 153.