

Bartel, Fritz

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On The Triumph of Broken Promises: A Reply

Fritz Bartel

Bush School of Government and Public Service at Texas A&M University

I would like to begin by thanking Simone Selva, Giovanni Farese, and Riccardo Mario Cucciolla for their careful readings of my book and their astute commentaries on it. It is a pleasure to read what they found valuable within its pages and an honor to know that they found it to be a work of importance and insight.

All three reviews provide accurate and illuminating summaries of the book's main arguments and empirical findings, so I will only briefly restate these in order to outline the contributions I aimed to make to our understanding of the end of the Cold War and the rise of neoliberalism. *The Triumph of Broken Promises* argues that in order to fully understand the end of the Cold War, we need to begin by redefining what, exactly, the Cold War was. For very good reason, most scholars have thought of the Cold War as a military, geopolitical, and ideological competition. But they have not generally conceptualized it as a competition between systems of political economy. My book does so, and takes as its founding premise that the Cold War began as a competition between democratic capitalist and state socialist governments to expand the social contracts that prevailed in their societies, but it ended as a competition to discipline those social contracts. In other words, it began as a competition to make promises, but it ended as a competition to break promises. The energy and financial markets that exploded in size and importance in the 1970s placed immense

pressure on governments in *both* East and West to impose economic discipline on their populations. Those governments that could do so without spurring a destabilizing social backlash would survive; those that could not would collapse. Neoliberalism and electoral democracy gave Western states the ideological and political tools to break promises, but state socialists had no such recourse. In the late 1980s, they reformed their ideology and liberalized their political systems as a means of gaining their societies acceptance of austerity and economic discipline. It is this political-economic process that we now call the collapse of communism and the end of the Cold War.

In their reviews, Selva, Farese, and Cucciolla rightly identify ways in which this analytical framework elides, omits, or simplifies very important components of the history of the Cold War, political economy, and international relations in the late 20th century. The issues they raise are ones of scope, conceptualization, and detail, and together they point to ways in which the themes and arguments in *The Triumph of Broken Promises* can be extended. I do not fundamentally disagree with any of their comments, and I can only hope that future scholars will take up the issues they have identified for further study.

First, with regard to the scope of the book, Farese and Cucciolla point out that both China and the European Economic Community (EEC) are almost completely absent from the analysis. The reasons for this are both practical and substantive. Practically, I could not include either entity in any great depth in the book because the manuscript was already quite long and dealt with a vast array of actors, countries, and subject areas. And depth surely would have been important because both China and the EEC raise big, important questions about the global history of “breaking promises” in the late 20th century. First, with regard to the EEC, recent scholarship has shown how linking the project of European integration to German monetary policy abetted the global rise of neoliberalism to a significant degree.¹ But there is more work to be done. As Charles Maier

¹ J. Germann, *Unwitting Architect: German Primacy and the Origins of Neoliberalism*, Stanford University Press, Stanford, CA, 2021.

recognized as early as 1991 but could not yet empirically prove,² one of the main reasons that Western European integration successfully proceeded while East European integration stagnated and then failed was that West European governments were able to downsize heavy industries and Fordist production models while maintaining political legitimacy. In other words, they were able to overcome social resistance to broken promises through democratic legitimation. How that process played out in different West European contexts remains a very important topic for future research.

Similarly, though we have excellent recent scholarship detailing how China navigated its transition from a planned to a market economy,³ a fully comparative analysis of the developmental paths chosen and/or imposed on nations across the Global South and Eastern Bloc in the 1980s remains to be written. As Farese notes, I view China's road from plan to market as fundamentally different from that of Eastern Europe and the Soviet Union, a view that other leading scholarship on the Soviet reforms shares.⁴ But now that we have very good empirical studies of the decision-making processes during the 1980s in the developed West, the Soviet Bloc, and China, we should be able to draw more rigorous and illuminating comparisons between them. Indeed, it is my hope that in highlighting the central role that global financial and energy wealth played in the political economy of *all* states after the early 1970s, *The Triumph of Broken Promises* opens interpretative pathways for the future study of how politics and development across the Global North and South in the 1980s were interdependent and, ultimately, comparable. Making such connections and comparisons, however, will require deep linguistic, contextual, and archival knowledge across a long list of geographies, so they will most likely best be done in a collective and iterative fashion.

² C. Maier, "The Collapse of Communism: Approaches to a Future History", in *History Workshop*, 1991 (31), pp. 34-59.

³ I. Weber, *How China Avoided Shock Therapy*, Routledge, New York, 2021.

⁴ C. Miller, *The Struggle to Save the Soviet Economy*, University of North Carolina Press, Chapel Hill, NC, 2016.

Riccardo Mario Cucciolla also concludes that my conceptualization of the Cold War as a competitive “race” is “not entirely convincing” because it elides areas of cooperation, and finds my characterization of the start of the Cold War as a race to make promises “misleading” because it overlooks the origins of the conflict in the late Stalinist period. As a short formulation for describing the onset of the *geopolitical* Cold War in the 1940s and early 1950s or the onset of *détente* in the 1970s, I agree that my terminology leaves much to be desired. Conceptual parsimony comes with the analytical cost of failing to capture many contours of the phenomenon in question. But it is worth pursuing, I would contend, if it illuminates something essential. I hope that thinking of the Cold War as a competition to make, and then break, promises accomplishes this. I would also add that though the “race to make promises” does not adequately capture the security dynamics that gave rise to the geopolitical Cold War, I do believe that it does provide some insight in the origins of the long-term competition between capitalism and its socialist alternatives. As Odd Arne Westad has argued in his synthetic treatments of the Cold War, its true origins lay long before the late 1940s in the two radically different and universalist visions that capitalists and socialists held for the world and for the future.⁵ These visions were, I believe, two different forms of making promises, and it is in the tension between them that the foundations of the eventual geopolitical Cold War lie.

Finally, as an expert on finance and energy in the 1970s in his own right, Simone Selva points out in his review that my book could have done more to specify the exact financial pathways by which Western (and specifically American) monetary policy affected the credit market access of the Eastern Bloc. I agree with him that this is a “hard-to-achieve exercise,” and he may indeed be correct that I have overestimated the role of the Euromarkets relative to other

⁵ Odd Arne Westad, *The Global Cold War: Third World Interventions and the Making of Our Times*, Cambridge University Press, Cambridge, UK, 2005, and *The Cold War: A World History*, Basic Books, New York, 2017.

markets and market actors. This is yet another area where I hope a great deal more research follows. I finished this book confident that the relationships between Western interest rates, global capital markets, and national governments determined the fate of countless political projects and ideological movements around the world after 1979. But the precise manner in which this happened – the exact individuals and institutions who exerted agency, the moments of contingency, and the perceptions and misperceptions that drove the process – remains, in many cases, a story yet to be told. I can only look forward to learning from Selva and others about these important dimensions of global political economy in the late 20th century.