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**Markets, Rights and Power: The Rise (and Fall?)
of the Anglo-American Vision of World Order, 1975-2005**

by

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Abstract

The so-called “special relationship” has been a fixture of international relations since at least 1940, but it seemed of declining significance during the 1960s and 1970s. It has nevertheless been revived, even refounded, since then; and it has served as the strategic base on which a new Anglo-American vision of the world has been articulated. At the core of the new connection, and the vision to which it gave rise, is a strong preference for the market and a set of foreign and domestic policies that privilege markets and see their expansion as critical to peace, prosperity and the expansion of democracy. This essay examines the origins of this new paradigm as a response to a set of interrelated crises in the 1970s, its elaboration and application during the 1980s under Reagan and Thatcher, its curious history since the end of the Cold War, and the way it evolved into the failed policies of the post-9/11 era.

The “special relationship”: old and new, imagined and real

Enthusiasts for the “special relationship” would seem to be uniquely susceptible to delusional thinking.¹ In the UK there is the delusion that the connection compensates for the loss of empire and makes Britain great despite it. On the American side there is the parallel belief that by “succeeding John Bull” as the world’s dominant power, the U.S. has taken over a civilizing mission that renders its hegemony more legitimate, more benign and more tasteful. Visions of Anglo-American cooperation almost inevitably build on a sense of racial pride that is not only delusional, but also quite unappealing to those left out, and they are typically accompanied by a marked preference for Conservative politics. The main delusion held by proponents of the alliance is, of course, the idea that it matters greatly to both parties and to the world. Again and again, the actions of both governments have demonstrated that this is not quite true, that national interests can and do drive the two allies apart and that, when they act together, cooperation presupposes common interests. There are also the enduring British conceit that they have and should have more influence on the U.S. than they in fact have and the recurring American tendency to forget the alliance until they need British support for some venture where unilateral action is inappropriate. Politicians and diplomats regularly feed the delusions embedded in the connection while acknowledging in practice the less sentimental realities that lie beneath the rhetoric.

Inevitably, then, excessive talk of the “special relationship” elicits irritation, boredom, ridicule and confusion in roughly equal measure. When invoked by British and American politicians it can signify anything from a common language and cultural connectedness to a battle-tested military alliance. To many on the left in both countries it represents imperialism pure and simple. In Britain it appeals mainly to the mainstream, to judicious and worldly-wise leaders who see it as a means of augmenting Britain’s influence in an era of diminished power. While it is typically opposed by the left, it is also opposed by those on the right who see America as the enemy of Britain’s former empire and the usurper of its global role. In America politicians and diplomats of the realist persuasion scarcely think of it, except at those moments when the U.S. wants to do something like fight a war, make peace, construct an alliance or fight for a line in an international organization – the stuff of international relations on a daily basis – and find they could use a reliable ally. The “special relationship’s” serious enthusiasts in the U.S. tend to be, if not quite cranks, at least rather quaint Anglophiles who regularly gather together to celebrate some Churchill anniversary or to applaud Mrs. Thatcher. To the French, *les Anglo-Saxons*, as Chirac explained during the failed campaign to ratify the EU constitution, represent the crass culture of the marketplace and as such threaten *civilisation* in France and elsewhere.

¹Earlier versions of this paper were presented at the Center for European and Mediterranean Studies, New York University, October 12, 2007; at the Bristol Institute for Public Affairs and the Political Studies Association Labour Movements Group Conference, Department of Politics, University of Bristol, May 24, 2007; and at the Seminar on Contemporary British History, Institute of Historical Research, University of London, January 24, 2007. I am grateful to the organizers of these events and to the participants, who invariably asked probing questions that invariably helped with subsequent iterations of the argument better. I profited as well from readings of old and new versions of this essay by John Young, John Baylis, John Dumbrel, Andrew Gamble, David Reynolds, Michael Hunt, Seth Jacobs, Jim Shoch and Peter Hall. With this much help, it should be obvious that any remaining mistakes and misconceptions are mine alone.

Given all this contradiction, antipathy and muddle-headedness, is there any useful purpose to be served by taking seriously, and actually studying, the Anglo-American alliance? The assumption of this essay is that there is, and for reasons both historical and contemporary. Historically, the Anglo-American connection has been critical to the major geopolitical events of the twentieth century and, in particular, to the world order that emerged after 1945. The contemporary importance of the link stems from the role the alliance played in the very last stages of the Cold War and in the effort to construct a post-Cold-War world order. The older history, up through the 1960s, is pretty well-known and documented; more recent events are not. The aim of this paper is to begin to analyze the latest phase in the long history of the "special relationship" and to explain its unusual importance.

More specifically, it will be argued that the Anglo-American alliance, which seemed very much past its useful life in the 1970s, was reconstructed on a new basis in the 1980s. The effect was to put the two allies in a position to offer a vision of how to reshape states, societies and the international order in the wake of the fall of communism. Much of what has happened since has been a matter of its supporters working out the implications of that vision or, as often as not, its opponents resisting it. Central to the reconstructed "special relationship" and to the shared Anglo-American vision of the world after the Cold War was the market, which was seen as the promoter and guarantor of peace and democracy and the expansion of which was proposed as the precondition of growth and prosperity. It was thus the turn to the market in the 1980s, a turn prompted by a set of interlocked political and economic crises that confronted both Britain and America in the 1970s, which allowed for a reassertion of the alliance and which informed subsequent efforts to reshape the world.

Assessing the Anglo-American connection is therefore more important, but also more complicated, than it might at first appear. Looked at as merely an alliance, of course, it is pretty straightforward. The interests of the two states have largely coincided during the twentieth century and so they have allied repeatedly – in two world wars, in the Cold War, and even during the post-Cold-War era. The alliance was of course never untroubled: it has been marked by irritation and misunderstanding and, more importantly, interests have at times diverged. If the resulting long-term relationship has been "special," it has been special primarily because of a fundamental convergence of interests. If it has looked more special than that, it is because the two states and societies have so much more in common than is the case with most other countries and because political leaders, British leaders in particular, have chosen to overstate these commonalities in the hope that the American alliance will give Britain more clout than it would otherwise wield. None of this is surprising.

Looked at differently, as Anglo-American power and its accompanying vision for how the world should work, the connection looks both more important and much more complex. It can be argued that the world as we know it is in critical respects a product of the "special relationship," the Anglo-American alliance. Britain and the United States combined to confront and overcome fascism and became the core of the broader united front that defeated the Nazis, the Japanese and their allies. The alliance was recast in the early years of the Cold War and again served as the center for the protracted effort to thwart and contain the Soviets, their clients and supporters. Other states

took part in both efforts, but the Anglo-America alliance was the foundation upon which these global coalitions were built. Both projects therefore came largely to embody Anglo-American visions of world order, of how the world economy should be run, and of the sorts of states and societies that would be nurtured within these successive coalitions. Not that these visions prevailed unaltered, but the world they helped to create was closer to Anglo-American practice and principles than to any alternative.

Even more remarkable, and hence the focus of this paper, is the fact that Britain and the United States effectively extended their alliance through the end of the Cold War. For that reason, their largely shared vision has been critical in shaping the post-Cold-War era. Their latest project has been portrayed as an effort to create a new global hegemony or a new kind of empire. Whether this characterization is right or wrong, and whether the ambition it describes succeeds or fails, a venture of such magnitude requires a different kind of analysis than the study of even a very close and enduring alliance.²

The strategy employed here will be to utilize the study of the Anglo-American connection, and its evolution, as a means of understanding a larger set of questions about its objectives, consequences and historic import. Attention will be focused on the most recent phase of the relationship, partly because it is less studied but mainly because its consequences have been in no small measure responsible for the present disorder and uncertainty in international relations. This phase begins, it will be argued, with the foundering of the relationship in the 1970s, when both countries experienced a series of reversals and when their connection seemed especially unhelpful. But because the U.S. and the UK responded in similar fashion to these challenges, the basis was laid for reestablishing the relationship during the 1980s. The story continues through the end of the Cold War and the subsequent effort to delineate the shape of a new world order based on a more globalized economy. It has ended up in Iraq.

²To illustrate the difference in approaches, one can consider the very distinct literatures and sources that would be drawn upon for these very different analytical purposes. Treating the connection as an alliance would mean reviewing and updating a long tradition of diplomatic history and also teasing out insights and hypotheses from theoretical work on alliances – e.g., Stephen Walt’s *The Origins of Alliances* (Ithaca NY: Cornell University Press, 1990) and *Taming American Power: The Global Response to U.S. Primacy* (New York: Norton, 2006); and the many scholars with whom he engages. (For a more up-to-date inventory and a skeptical stance, see Michael Beeson, “The Declining Theoretical and Practical Utility of ‘Bandwagoning’: American Hegemony in the Age of Terror,” *British Journal of Politics and International Relations*, IX,4 [2007]: 618-635.) Viewing it in terms of hegemony and empire would involve an engagement with theoretical literature on hegemonic powers – most famously Robert Keohane, *After hegemony: cooperation and discord in the world political economy* (Princeton: Princeton University Press, 1984) and his critics and predecessors -- and their role in creating and managing world order, as well as the enormous scholarly output on the long history of empire (see below). Just how different the resulting analyses would look can perhaps be grasped by comparing two recent and very good books. One, Kathleen Burk’s *Old World, New World: The Story of Britain and America* (London: Little, Brown, 2007), studies Britain and America as a relationship; another, Walter Russell Mead’s *God and Gold: Britain, America, and the Making of the Modern World* (New York: Knopf, 2007), is unconcerned with the details of the alliance and focuses on its impact for the world.

The key to understanding this recent history is to be found in an examination of the principles on which the connection was reasserted. Three terms – markets, rights and power – best summarize these principles, for at the core of this reshaping was neoliberalism, the privileging of markets and market mechanisms in domestic and foreign policy, in politics as well as in economics. It was an outlook and a policy framework whose foreign and domestic aspects were meant to reinforce one another and to help to create the very reality whose interests it promoted and whose virtues it celebrated. The promotion of markets was accompanied by a rhetorical commitment to human rights that, at least occasionally, became more than rhetoric. The military posture of the U.S., and with it that of the UK, was also redefined. This new ensemble of policies was not only new; equally important, it was a formula that appeared to meet with spectacular success with the ending of the Cold War and the collapse of communism. The effect was to ratify the new policy orientation, to make it more explicit and its advocates more self-confident, and to guarantee that it became deeply embedded in the political cultures and practices of the two nations and, to a considerable extent, in international institutions as well in the post-Cold-War era.

The new framework informing American and British policy was not invented all at once, and its components emerged piecemeal during the late 1970s and 1980s.³ It involved significant departures in three key areas of policy:

1. **The embrace of the market.** A preference for markets over politics and the state and the forced opening of markets at home and abroad became a major goal for both countries. This meant a radical turning *away* from Keynesian policies of demand management by national governments and from statist economic policies and *towards* world markets, *towards* policies designed to free up the movement of goods and services, capital and even people, and *towards* growth through exports.
2. **A post-imperial military strategy.** There was a resolve to maintain, or even enhance, the military superiority of the U.S. and its most reliable ally, by continued reliance on nuclear weapons and technologically sophisticated conventional weapons. This predominance would be coupled, however, with what might be called a “post-imperial” strategy that dictated a very cautious stance on the exercise of military force. This new position stemmed from the recognition that nuclear war was virtually unthinkable and that the U.S. and its allies could not prevail militarily in wars of national liberation such as Vietnam. What remained possible were minor, peripheral and harassing operations against the Soviet Union and its clients.⁴
3. **The (selective) rediscovery of human rights and the promotion of democracy.** The U.S. and the U.K. adopted a new emphasis on human rights and democracy and a novel insistence on the market as the precondition and guarantor of democracy.

³David Harvey locates the turning point more precisely in 1978-80. See his *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005).

⁴See Odd Arne Westad, *The Global Cold War: Third World Interventions and the Making of Our Times* (Cambridge: Cambridge University Press, 2005). These minor, peripheral conflicts were of course anything but minor to those closely involved.

Preparing the Liberal Turn

To argue that liberalism – markets, rights, democracy promotion, and military restraint – has inspired British and American foreign policy in recent decades may seem counterintuitive, or even perverse, at a moment when the most salient feature of international relations would seem to be the turn to military force, and its more or less unilateral use, and when the term most often used to describe the situation is empire or some rough equivalent. It is not unreasonable to speak of American power and the Anglo-American alliance in imperial terms – as empire, *hyper-puissance*, *Überpower*, colossus, neocolonialism, or the slightly less threatening hegemon.⁵ But however alluring and evocative these metaphors, they are all to some extent ahistorical, for they fail to recognize that what the U.S. and UK have sought to exercise is a distinctly post-imperial and liberal hegemony, and that while U.S. or Anglo-American military power is a part of this project, the military side is but one feature of its predominance.⁶ This neoliberal policy

⁵See, for example, Niall Ferguson, *Colossus: The Price of America's Empire* (New York: Penguin, 2004); Hubert Védrine, *Face à l'hyper-puissance* (Paris: Fayard, 2003); and Josef Joffe, *Überpower: The Imperial Temptation of American* (New York: Norton, 2006). Madeleine Albright's phrase "the indispensable nation" sounds less threatening, but to outsiders and critics is perhaps no more attractive.

⁶The argument about whether to regard the US as an empire is of course a recurring one. The point of view adopted here is that, while the term captures many aspects of the American past, it also obscures the very real difference between that experience and what empire looked like elsewhere. This point was made forcefully some years ago in the contributions to Wolfgang Mommsen and Jürgen Osterhammel, eds., *Imperialism and After: Continuities and Discontinuities* (London: Allen & Unwin, for the German Historical Institute), especially in the essays by Klaus Schwabel on the United States and Ronald Robinson on the "excentric idea of imperialism." See also Tony Smith, *The Pattern of Imperialism: The United States, Great Britain, and the late-industrializing world since 1815* (Cambridge: Cambridge University Press, 1981). For a useful review of the debate about the new American imperialism, if such it is, see Michael Cox, "Empire by Denial: the strange case of the United States," *International Affairs* LXXXI,1 (January, 2005): 15-30; and also the thoughtful contributions to the "Forum on the American Empire" in the *Review of International Studies* XXX,4 (2004): Cox, "Empire, Imperialism and the Bush Doctrine": 585-608; G. John Ikenberry, "Liberalism and Empire: logics of order in the American unipolar age": 609-630; and Michael Mann, "The first failed empire of the 21st century": 631-653. To simplify three complex arguments, Cox finds it useful to regard the United States as an imperial power, Ikenberry thinks it is not, and Mann feels that, whatever American leaders may wish, empire in the current era of nation-states and anticolonialism is impossible. The term has become ubiquitous in contemporary discourse primarily because it is embraced by both advocates and critics of American empire – see, for example, Ferguson, *Colossus*, who wants more of it and fewer apologies; Michael Ignatieff, *Empire Lite* (London: Vintage, 2003), who regrets its necessity and agonizes over its tactics; Andrew Bacevich, *America's Empire: The Realities and Consequences of U.S. Diplomacy* (Cambridge MA.: Harvard University Press, 2002) who want it to be more enlightened and nuanced; and Richard Falk, *The Decline of World Order: America's Imperial Geopolitics* (London: Routledge, 2004), who believes it portends a "global fascism" and so wants none of it. It is of course unobjectionable to use the term as a metaphor for what is certainly a preponderance of power but, as an analytical term, it is seriously lacking in precision and historical accuracy, as Eric Hobsbawm – no friend of empire or U.S. hegemony – has recently pointed out. See Hobsbawm, "Why America's Hegemony Differs from Britain's Empire," Massey Lectures on "American Empire in Global Perspective," Harvard University, October 19, 2005, reprinted in *Globalization, Democracy and Terror-*

framework, moreover, was not an inheritance or a continuation of past imperial or neo-colonial policies. It had antecedents, to be sure, but in historical terms it represented a clear and deliberate repudiation of the policies followed by both Britain and the United States, in alliance and separately, in the first quarter century after the Second World War.⁷ It was a departure that was prompted by cumulative and widely perceived failures during the 1970s, in economic policy and in foreign relations, and that in consequence sought to reverse the established policy paradigm.

The argument offered here depends crucially therefore on a particular reading of the origins of this new approach. In the beginning, then, were the multiple crises of the 1970s, when Britain's clout as a world power was becoming a memory, when America's postwar power confronted unprecedented challenges, and when the alliance between the two countries was seriously strained. Rough superpower parity in nuclear weapons, defeat in Indochina, and the end of the postwar boom made U.S. preponderance less overwhelming and effective. The Watergate scandal and its ramifications, moreover, precluded an effective response to these challenges and put an end to the emerging "imperial presidency." America's ability to project power abroad and to control its allies had also weakened markedly, as its isolation during the 1973 Arab-Israel War and subsequent oil boycott demonstrated, and as the Helsinki Final Act, which amounted to a de facto acquiescence to the "Brezhnev doctrine" and thus to Soviet supremacy in eastern Europe, would register in more formal terms in 1975. On the other side Britain's earlier choices to withdraw its forces "east of Suez" and to join the Common Market signaled the end of even the pretension that on its own Britain's residual world role could be the basis for anything more than gestures of goodwill.⁸ If any doubts remained on the issue, they were utterly dissipated by the need to seek a loan from the IMF in the fall of 1976 and in what was perceived to be a pervasive crisis of "governability."⁹

ism (London: Little, Brown, 2007), pp. 49-73. See, in addition, Charles Maier, *Among Empires: American Ascendancy and its Predecessors* (Cambridge MA: Harvard University Press, 2006); Michael Hunt, *The American Ascendancy: How the United States Gained and Wielded Global Dominance* (Chapel Hill: University of North Carolina Press, 2007); and also Bruce Cummings, "Still the American Century," in Michael Cox, Ken Booth and Tim Dunne, eds., *The Interregnum: Controversies in World Politics, 1989-1999* (Cambridge: Cambridge University Press, 1999), pp. 271-299. Maier and Hunt prefer the term ascendancy, Cummings "liberal hegemony." For a useful collection of views on empire and the American experience, see Bacevich, ed., *The Imperial Tense: Prospects and Problems of American Empire* (Chicago: Ivan Dee, 2003); and, for a still broader view, John Darwin, *After Tamerlane: The Global History of Empire* (London: Allen Lane, 2007).

⁷Britain was, after all, the country that more or less invented free trade and supported it longest; in the United States, the expansion of markets has long been an objective of foreign policy. On the former, see Frank Trentmann, *Free Trade Nation* (Oxford: Oxford University Press, 2008); on the latter, see the classic text - William Appelman Williams, *The Tragedy of American Diplomacy* (Cleveland: World Publishing, 1959).

⁸Jeffrey Pickering, *Britain's Withdrawal from East of Suez: The Politics of Retrenchment* (London: Macmillan, 1998); Helen Parr, "Britain, America, East of Suez and the EEC: Finding a Role in British Foreign Policy, 1964-67," *Contemporary British History* XX,3 (September, 2006): 403-421; John Young, "Britain and Vietnam," *Cold War History* II, 3 (April, 2002).

⁹For a very thoughtful review of the contentious question of whether Britain was "ungovernable," see Sam Beer, *Britain against Itself: the political contradictions of collectivism* (New York: Norton, 1982).

The parallel crises of the U.S. and the U.K. were accompanied by a fraying of the alliance. By the mid-1970s the “special relationship” appeared spent. Indeed, as late as 1986 a major study of the alliance conceded that “since the 1970s Anglo-American relations, considered entirely by themselves, have ceased to be very important or very interesting.”¹⁰ The atrophy of the Anglo-American alliance in the 1960s and 1970s was in part a natural, and reasonably amicable, disengagement from a relationship that had been unusually intimate but whose original *raison d’être* no longer existed. The threat from Germany that had brought the alliance into existence was overcome by 1945; and the most threatening era of Cold War rivalry had long passed by the 1970s. In consequence, the 1960s and early 1970s had seen a general loosening of the blocs on both sides of the Cold War, and the policy of “détente” reduced superpower tensions further and led to still greater fragmentation. The bipolar world of the Cold War seemed about to be replaced by a multipolar world order.

There was also, however, a genuine estrangement between Britain and America. Neither side ever quite got over Suez and, despite efforts at the top to patch things up, especially over nuclear policy, British and American leaders drifted further apart during Vietnam. Johnson felt very much let down over the lack of British support. Nixon and Kissinger, on the other hand, thought on a scale far grander than the Anglo-American alliance and their shared sense of *Realpolitik* would mean that neither invested as much faith in the Anglo-American connection as had earlier American leaders. Edward Heath would reciprocate, and increasingly came to define Britain’s future in European terms. As Kissinger put it, under Heath, “The relationship never flourished.”¹¹ The underlying

¹⁰See David Watt, “Introduction: the Anglo-American Relationship,” in Hedley Bull and Wm. Roger Louis, eds., *The ‘Special Relationship’: Anglo-American Relations since 1945* (Oxford: Clarendon, 1986), p. 13, where he argues that “since the 1970s Anglo-American relations, considered entirely by themselves, have ceased to be very important or very interesting.” Other contributors to this, at the time more or less definitive, volume were somewhat less dismissive, but the general sense was that the heyday of the relationship was long past. For other assessments, see David Reynolds, *Britannia Overruled: British Policy and World Power in the 20th Century* (London: Longman, 2000); D. Cameron Watt, *Succeeding John Bull: America in Britain’s Place, 1900-1975* (Cambridge: Cambridge University Press, 1984); John Baylis, *Anglo-American defence relations: the special relationship* (London: Macmillan, 1984); Ritchie Ovendale, *Anglo-American Relations in the Twentieth Century* (New York: St. Martin’s, 1998); John Dumbrell, *A Special Relationship: Anglo-American Relations in the Cold War and After* (New York: St. Martin’s, 2001); Alex Danchev, *On Specialness: Essays in Anglo-American Relations* (New York: St. Martin’s, 1998); John Dickie, *‘Special’ No More – Anglo-American Relations: Rhetoric and Reality* (London: Weidenfeld & Nicolson, 1994); Alan Dobson, *Anglo-American Relations in the Twentieth Century: Of Friendship, Conflict and the Rise and Decline of Superpowers* (London: Routledge, 1995); G. R. Urban, *Diplomacy and Illusion at the Court of Margaret Thatcher* (London: I.B. Tauris, 1996); Andrew Williams, *Failed Imaginations? The Anglo-American new world order from Wilson to Bush*, 2nd ed. (Manchester: Manchester University Press, 2007); and, of course, Christopher Hitchens, *Blood, Class and Empire: The Enduring Anglo-American Relationship* (New York: Nation Books, 2004). See also Andrew Gamble, “The Anglo-American Hegemony: From Greater Britain to the Anglosphere” (2006), for a recent treatment that makes an argument not unlike that outlined here. For a celebratory account, see Andrew Roberts, *A History of the English-Speaking Peoples since 1900* (New York: HarperCollins, 2007). For more judicious if also very broad accounts, see Mead, *God and Gold*; and Burk, *Old World, New World*.

¹¹Henry Kissinger, *The White House Years* (London: Weidenfeld & Nicolson, 1979), p. 933.

tensions would surface over the Arab-Israeli War in 1973; and the lack of a shared response to the Arab oil boycott pushed the two states still further apart. British policy-makers quickly realized, of course, that in a world of scarce resources and few allies the alliance with the U.S. was potentially critical, and so resolved to rebuild it. But what had they to offer when they had already retreated from their global role, when their clout within Europe was minimal and when the nation's economy seemed in terminal decline? Not much. When the head of the North American Department in the Foreign Office toured the U.S. in October 1975, therefore, he "found little trace in the USA generally of a sense of special relationship with Britain..."¹² America's disinclination to soften the terms of the IMF loan in 1976 would show soon enough and very clearly just what it meant to get on the wrong side of the world's superpower and its leading economic power.¹³

In fact, British leaders could do very little not only because of Britain's weakness but also because the U.S. was absorbed in its own set of crises.¹⁴ Kissinger was of course keenly aware of America's isolation in the mid-1970s and established surprisingly good relations with his counterparts, Jim Callaghan and then Tony Crosland.¹⁵ It mattered little. Callaghan would continue the effort after Kissinger's departure and as Prime Minister would visit Carter in March, 1977, eager "to establish his own special relationship"; and the two made gestures aimed at restoring the relationship - with Brzezinski looking on warily. But doing so was not a top priority and progress was minimal, for both governments were seriously distracted and forced to focus on matters of domestic economic management.¹⁶ The Carter administration was beset at home and abroad: it had simultaneously to deal with the faltering of détente, the Iranian revolution and the subsequent

¹²Report of Derek Thomas on his visit to U.S., October 28, 1975, TNA, FCO82/495.

¹³See Kathleen Burk and Alec Cairncross, *'Goodbye, Great Britain': The 1976 IMF Crisis* (New Haven: Yale University Press, 1992).

¹⁴British leaders have long been very aware of the need to prove their worth to their American ally. As Oliver Franks observed in 1995, "In the Anglo-American relationship British policy has to pass the test: can the British deliver?" Franks, *Britain and the Tide of World Affairs* (Oxford: Oxford University Press, 1955), cited in Alex Danchev, "Tony Blair's Vietnam: The Iraq War and the 'special relationship' in historical perspective," *Review of International Studies* XXXIII (2007): 189. Franks was British Ambassador to the United States from 1948 to 1952. Sir Nicholas Henderson, long-time diplomat and British Ambassador to the U.S. during 1979-92, similarly explained in a 1998 interview that, "There's always this question, 'Is Britain which is the much weaker power, putting enough into the kitty to make the relationship worthwhile for the Americans?'" See transcript of interview, British Diplomatic Oral History Programme, Churchill Archives Centre, Churchill College, Cambridge, DOHP32. Britain's lack of influence with the U.S. at various moments was clearly a function of its perceived weakness overall. See also, for the situation in the mid-1970s, Cyrus Vance, *Hard Choices: Critical Years in America's Foreign Policy* (New York: Simon & Schuster, 1983), p. 465.

¹⁵See various files on meetings and communications between Kissinger, Callaghan and Crosland in *The National Archives*, FCO82/662, FCO82/664-668, and esp. FCO82/668. Kissinger would give a speech at Chatham House on May 10, 1982, "Reflections on a Partnership: British and American Attitudes to Postwar Foreign Policy," in which he claimed that "By 1976, James Callaghan and Anthony Crosland has restored the traditional close relationship..." A copy of the speech can be found in the Callaghan Papers, Bodleian Library, Oxford University, Box 148.

¹⁶David Owen, *Time to Declare* (London: Michael Joseph, 1991), p. 282.

hostage crisis, while another round of oil price increases wreaked havoc with policies designed to restrain inflation and restore growth.

Difficulties in external policy were clearly magnified and rendered more intractable because they coincided with the end of postwar capitalism's "golden age," which had done so much to enhance America's predominant role and to cushion the impact of the end of empire for the U.K. This unhappy conjuncture – of short-term difficulties superimposed on a long-term shift in economic prospects and conditions of economic growth – seemed to require a break not only from foreign policies and military strategies that were now seen to have become counterproductive but also from the social compromises and economic policies that had dominated postwar domestic politics. The crises of the early and mid-1970s were such as to traumatize political elites and unsettle electorates and to push both to query established beliefs and to repudiate the reigning conventional wisdom on public policy.¹⁷ The consequence was a rejection not simply of particular leaders or of specific policy choices, foreign and domestic, but of the entire package of economic policies that had proved so effective during the first quarter century after the war. The "postwar settlement" – typically a mix of Keynesian economic policy and more extensive welfare commitments – was subject to increasingly harsh criticism from left and right, and its policy prescriptions no longer met with widespread assent.¹⁸ It was a context in which traditions, even those of recent vintage, mattered negatively, as something to be avoided, overcome and transcended.¹⁹

Inevitably, alternatives to failed policies emerged only after a period of trial and error, confusion and further failure. Such was the shared fate of the governments whose bad luck it was to inherit these crises: the Labour governments of 1974-79 in Britain and the administration led by Jimmy Carter in the U.S. The Labour government was trapped

¹⁷As David Calleo has argued, "The recession of 1974 and 1975 was far and away the most severe setback suffered by the American economy since the Second World War." See Calleo, "Since 1961: American Power in a New World Economy," in W. H. Backer and S.F. Wells, eds., *Economics and World Power: An assessment of American Diplomacy since 1789* (New York: Columbia University Press, 1984), pp. 427-28.

¹⁸See Barry Eichengreen, *The European Economy since 1945: Coordinated Capitalism and Beyond* (Princeton: Princeton University Press, 2006).

¹⁹See Peter Hall, "Policy Paradigms, Social Learning and the State: The Case of Economic Policy-making in Britain," *Comparative Politics* XXV,3 (April, 1993): 275-296, for a description of how the Keynesian paradigm was eroded in Britain during the 1970s and replaced with something very different. A comparable shift occurred in the U.S. See James Shoch, "'Bringing Public Opinion and Electoral Politics Back In: Explaining the Fate of 'Clintonomics' and Its Contemporary Relevance,'" *Politics and Society* XXXVI,1 (March, 2008): 1-42, on the paradigm shift and its long-term effects in constraining political choice; but see also the essays in W. Elliot Brownlie and Hugh D. Graham, eds., *The Reagan Presidency: Pragmatic Conservatism and Its Legacies* (Lawrence KS: University of Kansas Press, 2003), for a more ambivalent view. The fact that Britain and the United States turned at more or less the same time in a similar direction is often attributed to their shared and deeply-rooted preference for markets over the state. The argument here is that, while the turn may have had long-term antecedents, it was largely a reaction to a particular, and also shared, set of challenges. For a similar argument, see Monica Prasad, *The Politics of Free Markets: The Rise of Neoliberal Policies in Britain, France, Germany and the United States* (Chicago: University of Chicago Press, 2006). Cf. also Stephen Gill, "Globalisation, Market Civilisation and Disciplinary Neoliberalism," *Millennium* XXIV,3 (1995): 399-423.

in what has been labeled a “post-imperial crisis,” but it was government’s demonstrated inability to deal with this crisis that revealed truly systemic flaws and weaknesses in Britain’s domestic economy, in its position in the international economy, and in the orthodoxies guiding domestic and foreign policy.²⁰ Labour was of course not alone in failing to solve the nation’s economic problems. Indeed, the experience of the Heath administration and the “troubles” of the early 1970s had already produced an intense pessimism among political elites. In late 1974, for example, the head of the Foreign Office Planning Staff had written a memo entitled “Surviving the Seventies.” “Over the next few years,” he asserted, “our opportunities are likely to be limited. Our main problem will be our own survival: as an economically viable country; as an independent country; as the United Kingdom.”²¹ It was Labour’s growing incapacity in the late 1970s that made failure and decline almost palpable to the country at large. The fact that the government’s demise came after the “winter of discontent” had brought the utter collapse of the “social contract,” Labour’s characteristic innovation, was tragically appropriate; and it turned the election of May 1979 into a referendum on an entire era of policymaking.

The Carter administration faced a comparable array of problems and, despite noble and laudable efforts, ended in apparent failure. In foreign policy Carter adopted an approach that was, at least on the surface, the opposite of Vietnam and of what Vietnam was thought to represent: his was a policy of limiting overseas commitments and of reconciling existing strategic and geopolitical interests with efforts to promote human rights.²² It required a reexamination of alliances to ensure that America’s partners were not themselves guilty of human rights violations. The new policy built upon principles that had been articulated in the early postwar era in the UN’s Universal Declaration of Human Rights and in the European Convention on Human Rights, but these had been more or less ignored in subsequent practice.²³ The United States, for example, had a long history of expressing support for such principles but exempting itself from their detailed application, and the promotion of human rights was often sacrificed to the perceived

²⁰P.J. Cain and A.G. Hopkins, *British Imperialism, 1688-2000* (London: Longman, 2002), p. 640. The systemic character of Labour’s failures is discussed in J. Cronin, *New Labour’s Pasts* (London: Longman, 2004), chapter five.

²¹“Surviving the Seventies,” Memo by James Cable, October 1974, FCO49/552.

²²On the difficulties and contradictions, see the useful discussion in Sean Wilentz, *The Age of Reagan: A History, 1974-2008* (New York: Harper, 2008), pp. 99-120.

²³There has been considerable recent interest in these founding moments of human rights politics. See, *inter alia*, Erez Manela, *The Wilsonian Moment: Self-Determination and the International Origins of Anticolonial Nationalism* (New York: Oxford University Press, 2007); Elizabeth Borgwardt, *A New Deal for the World: America’s Vision for Human Rights* (Cambridge MA: Harvard University Press, 2005); Mark Mazower, “The Strange Triumph of Human Rights, 1933-1950,” *Historical Journal* XLVII,2 (2004): 379-398; A.W. Brian Simpson, *Human Rights and the End of Empire* (Oxford: Oxford University Press, 2001); Mary Ann Glendon, *A World Made New: Eleanor Roosevelt and the Universal Declaration of Human Rights* (New York: Random House, 2001); Johannes Morsink, *The Universal Declaration of Human Rights: origins, drafting, intent* (Philadelphia: University of Pennsylvania Press, 1999); John Humphrey, *Human Rights Law and the United Nations* (Dobbs Ferry: Transnational Publishers, 1984); Andrew Moravcsik, “The Origins of Human Rights Regimes: Democratic Delegation in Postwar Europe,” *International Organization* LIV,2 (Spring, 2000): 217-252; and Kenneth Cmiel, “The Recent History of Human Rights,” *American Historical Review* CIX,1 (February 2004): 117-135 .

exigencies of the Cold War.²⁴ Progress in the international arena would resume in the 1960s, however, with debate centering on South Africa and Rhodesia, and interest continued to grow in the following decade, partly as a result of the Helsinki Process. A formal commitment to human rights became part of the Helsinki Final Act in 1975 and at least indirectly reconnected Cold War politics to human rights.²⁵ Ironically, the pledges on human rights obtained through the “Helsinki process” – and due more to the insistence of British and European negotiators than that of their American counterparts – were at the time regarded by all sides as primarily cosmetic and as of only modest practical significance, whereas the process itself was widely perceived as a ratification of Soviet influence in eastern Europe and of the “Brezhnev doctrine.”²⁶ Over time the focus on human rights would of course have unintended and unforeseen consequences that served not to legitimate Soviet power but to undermine it.²⁷

The new emphasis on human rights under Carter was more specifically intended to repair the damage done to America’s reputation by Vietnam and in that sense it represented the appropriate discursive accompaniment to a strategic policy of limits and constraints in military spending and in the use of force. The policy’s practical application would soon be undermined, however, by the U.S. reaction to what were seen as a series of further setbacks: the triumph of the Sandinistas in Nicaragua, the Islamist revolution in Iran, and the Soviet invasion of Afghanistan. The effect was to force Carter into a retreat from détente and into a decision modestly to increase defense spending. The promotion of human rights would therefore be given less priority in Carter’s last year or so, and it would initially be treated with disdain by his successor. Eventually, the Reagan administration would rediscover how useful the focus on human rights could be in criticizing the Soviet Union. The issue would for that reason be revived, though re-framed and deployed rather differently, during Reagan’s tenure, and practice always lagged.

The fitful and inconsistent advocacy of human rights by successive British and American governments did not by itself create a new international politics of rights. It did, however, combine with and give indirect support to the efforts of NGOs, international courts and lawyers, and other countries – especially non-western countries eager to ground their anticolonial politics on human rights principles and smaller European nations more or less disengaged from either of the two main blocs or alliances – to craft an international human rights regime. These efforts found domestic echoes within both the U.S. and the UK. Britain was actually forced to confront the issue more directly than

²⁴Michael Ignatieff, ed., *American Exceptionalism and Human Rights* (Princeton: Princeton University Press, 2005); Cmiel, “The Emergence of Human Rights Politics in the United States,” *Journal of American History* LXXXVI,3 (Dec., 1999): 1231-1250.

²⁵Interestingly, British representatives had played a key role in making sure that the Helsinki agreements covered Soviet human rights. See Dumbrell, *A Special Relationship*, p. 80, for a summary; and *Documents on British Policy Overseas, Series III, Volume 2: The Conference on Security and Cooperation in Europe, 1972-75*. (London: HMSO, 1984-) for the details.

²⁶On British and U.S. divergence on these issues, see Watt, *Succeeding John Bull*, pp. 156-57.

²⁷Daniel Thomas, “The Helsinki accords and political change in Eastern Europe,” in Thomas Risse, Stephen Ropp and Kathryn Sikkink, eds., *The Power of Human Rights* (Cambridge: Cambridge University Press, 1999), pp. 205-233.

the U.S. because of its exposure over Southern Africa and Northern Ireland and its membership in the European Community.²⁸ The effect, intended by some but not by all, was to reshape the legal and rhetorical landscape of international relations and to make support for human rights a more or less permanent feature of American and British foreign policy.

Such consequences were still to come as of the late 1970s. The more immediate issue confronting policymakers in the Carter era was the economy; and the Carter administration fared as poorly on economic matters as it did on issues of security and foreign policy. Its multiple failures ensured that the reorientation of policy, both foreign and domestic and including the Anglo-American relationship, would necessarily be carried out by others. Essentially, Carter and his aides had sought to handle the economic challenges of the 1970s using Keynesian tools developed in the early postwar era, and they had managed by the late 1970s to mitigate and contain the effects of the first oil shock.²⁹ Unfortunately, the Iranian revolution in 1979 set off a second round of oil price increases that overwhelmed existing techniques and eroded confidence in their underlying Keynesian rationale. In consequence, inflation would peak while militants held Americans hostage in Tehran, allowing Carter's opponents to connect failure at home with weakness abroad in a devastating critique. The outcome was the election of Ronald Reagan. Reagan and Thatcher between them proceeded to develop a very different set of responses to the crises affecting the two countries.

Markets and Foreign Policy

Reagan and Thatcher inherited remarkably similar situations, and the fact that the common starting point was the perceived failure not only of their immediate predecessors but also of the more long-term political consensus and style of governance that they represented meant that the two conservative politicians had a much greater opportunity to innovate than is normally the case.³⁰ That they confronted roughly similar problems and were compelled to react to comparable orthodoxies also predisposed the governments to similar responses. So, too, did their broader ideological inheritance, which had been sharpened and reinvigorated by the work of a new array of conserva-

²⁸In response to these varied pressures, the Foreign Office in the fall of 1976 prepared a "Human Rights Comparative Assessment" to be used in deciding policy. The policy was overseen by Evan Luard, MP for Oxford and Parliamentary Undersecretary at the Foreign Office. See various *TNA* files, esp. FCO7/3021, FCO30/3644, FCO8/2863, FCO24/2356 for the policy in general; PREM16/975 for Northern Ireland; PREM16/1294 and HO274/36 on Europe and the question of whether to incorporate the European Convention on Human rights into UK law; and FCO82/651, FCO82/687, FCO82/760 and FCO82/806, on Britain's subsequent dealings with the U.S. and the Carter administration on the issue.

²⁹See, among many others, Robert Skidelsky, ed., *The End of the Keynesian Era* (New York: Holmes & Meier, 1977).

³⁰See Joel Krieger, *Reagan, Thatcher and the Politics of Decline* (New York: Oxford University Press, 1986); and Paul Pierson, *Dismantling the Welfare State? Reagan, Thatcher and the Politics of Retrenchment* (Cambridge: Cambridge University Press, 1994), for thoughtful comparisons.

tive think tanks.³¹ The two conservative movements did not act in concert, but they did influence and inspire one another. The moves were parallel, not coordinated, and the efforts logically brought the governments closer together. They also magnified the effect: either country acting alone would have constituted an interesting experiment; together, theirs became a movement with wide ramifications.

The essence of the strategies adopted by both conservative leaders would be neo-liberalism, which dictated a new commitment to markets and to market-based solutions to domestic and international issues alike.³² Its most direct application was in economic policy. At home this entailed a variety of now familiar measures – tax cuts, especially on higher incomes, cuts in benefits or at least in the growth of entitlements, deregulation, privatization, and sustained efforts to weaken the trade unions. The mix differed in the two countries, but the effect was to move both economies in a similar direction and in the process to create a distinctive Anglo-American model of capitalism.³³

There was also and inevitably a critical international dimension to economic policy in this period, for the Reagan and Thatcher governments sought to extend the reach of markets by opening up the domestic economy, by increasing the “competitiveness” of its firms and industries, and by prying open foreign markets. Thatcher was convinced, for example, that the tendency of successive British governments to prop up ailing firms had only exacerbated their lack of competitiveness. Thatcher was by contrast more than willing to see inefficient firms exposed to foreign competition and, if they failed to perform, to let them die. The effect was a massive rundown of inefficient industries and a decisive shift towards sectors in which Britain held an edge. The Conservative government would further accelerate these trends by encouraging investment by foreign firms and by the deregulation of financial markets, beginning with the end of exchange controls in October 1979 and culminating in the “big bang” of 1986.³⁴ It also formally committed itself to the achievement of the European Single Market which, according to Margaret Thatcher, “was very much a British initiative...,” and effectively signed up for

³¹See Richard Cockett, *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution, 1931-83* (London: HarperCollins, 1995). More generally, see G. Edwards and D. Sanders, *British Elite Attitudes and the United States* (London: Royal Institute of International Affairs, 1989).

³²The term “neoliberalism” is widely used to describe this turn – everywhere but in the United States, where the term is used to describe the effort by Democrats from Gary Hart to Bill Clinton to move toward the political center.

³³See J. Cronin, “Convergence by Conviction: Politics and Economics in the Emergence of the ‘Anglo-American Model,’” *Journal of Social History* XXXIII,4 (Summer, 2000): 781-804, for the argument that, prior to 1979, Britain represented something rather different than a “liberal market economy,” as it is now widely held to be. For more detail on the significance and effectiveness of Thatcher’s reforms, see David Card, Richard Blundel and Richard B. Freeman, eds., *Seeking a Premier Economy: the economic effects of British economic reforms, 1980-2000* (Chicago: University of Chicago Press, 2004).

³⁴See Ronald Michie, “The City of London and the British government: the changing relationship,” in Michie and Philip Williamson, eds., *The British Government and the City of London in the Twentieth Century* (Cambridge: Cambridge University Press, 2004), pp. 50-52; and David Kynaston, *The City of London: Club No More, 1945-2000* (London: Pimlico, 2002).

freer trade through and with the European Union.³⁵ The liberalizing agenda within Europe was signaled by the appointment to Brussels first of Lord Cockfield in 1984, whose work laid the basis for the European single market, and then of Leon Brittan as European Commissioner with responsibility first for “competition policy” (1989-92) and subsequently for “trade policy” (1993-99).³⁶ These appointments would play a central role in the opening up of markets within the EU and in the subsequent negotiations that preceded the establishment of the World Trade Organization.³⁷ The two, especially Brittan, would also leave a lasting mark on the Commission by training a cadre of free-market advocates to carry on neoliberal policies beyond his tenure. Its stance within Europe meant that, as a close observer of British foreign relations noted in the early 1990s, “Britain has nailed its free trade colors to the mast in the past decade, though not everyone else in the system has done so.”³⁸ It also meant that the preference for markets had established itself at the center of the world’s largest economy. It might not be the dominant influence at any given moment and in any specific decision, as Margaret Thatcher would insist, but it was from the mid-1980s a consistent force that could not be ignored.

The Reagan administration largely had as well, for it was similarly committed to allowing the discipline of the world market to determine winners and losers. It was not an easy position to maintain or enforce, however. U.S. trade policy had been conducted on a nonpartisan basis for most of the postwar era and had been fundamentally liberal: America was committed to expanding markets and its leaders believed that open trade made for a more prosperous and peaceful world. Through the GATT (the General Agreement on Tariffs and Trade, established in 1947), tariff barriers were thus much reduced and the United States, and its allies and trading partners, enjoyed the benefits of expanding world trade. The onset of slower growth in the 1970s coincided, however, with more intense international competition and with a steady growth of imports in U.S. domestic markets. The result was a more intense and contentious era in trade politics during

³⁵Margaret Thatcher, *Statecraft* (New York: HarperCollins, 2002), 372. The push for open markets in and through and with Europe had strong U.S. support. On U.S. support for European integration in general, see Geir Lundestad, *‘Empire’ through Integration: The United States and European Integration, 1945-1997* (Oxford: Oxford University Press, 1998). There is considerable scholarly debate about whether moves toward regional economic integration, like the EU, aid or retard the creation of a more open world economy. The theoretical argument could presumably go either way, but the assumption here is that for Britain integration into the EU was a “building block” rather than a “stumbling block” in the broad movement toward a liberal trading order. See Ruggie, *Winning the Peace*, pp. 129-134; and also Kees van der Pijl, “Lockean Europe?” *New Left Review* 37 (Jan/Feb, 2006): 9-37.

³⁶Of course, Thatcher was very hard to please, so that, while she conceded that Lord Cockfield was key to the Single Market, she also regarded him as responsible for a subsequent falling-out. As she explained in *The Downing Street Years* (New York: HarperCollins, 1993), p. 547: “It was all too easy for him ... to go native and to move from deregulating the market to reregulating it under the rubric of harmonization.”

³⁷See John Gillingham, *European Integration, 1950-2003: Superstate of New Market Economy?* (Cambridge: Cambridge University Press, 2003), pp. 303, 306-08

³⁸Michael Clarke, *British External Policy-making in the 1990s* (London: Macmillan and the Royal Institute for International Affairs, 1992), p. 47.

which protectionist pressures increased markedly.³⁹ Those hurt or threatened by imports – first textiles, apparel, and shoes, then steel and automobiles, and always agriculture – mobilized and pressed for special relief or outright protection. The deep recession of the early 1980s and the rise in the value of the dollar put the Reagan administration, despite its commitment to open markets, very much on the defensive and Congress became more partisan and active on questions of trade.⁴⁰

The consequence, after much maneuver, posturing, debate and compromise, was a hybrid strategy that has been effectively described as “assertive unilateralism.”⁴¹ The administration successfully resisted a broader turn to protection by acquiescing in deals for specific industries, by hard bargaining with trading partners, especially Japan, for voluntary restraints, and by seeking to identify and eliminate non-tariff barriers to trade. The compromise was embodied in the Trade and Tariff Act of 1984. This was a substantial achievement, for it had come in the teeth of sustained lobbying from industries unable to compete with imports and from trade unions and their Democratic Party allies who sought not only to protect domestic industry through tariffs or quotas but also to adopt a more statist “industrial policy” to cope with intensified global competition.⁴²

The overvalued dollar and America’s enduring trade deficit would keep trade on the agenda throughout the 1980s, but economic revival permitted an outcome more in keeping with the administration’s basic outlook. It was facilitated as well by the more aggressive trade strategy adopted in 1985. The key initiative was the Plaza Agreement of September 22, which began the depreciation of the dollar. In two years it had reversed the appreciation that had begun in 1979 and effectively made U.S. exporters competitive once again. Shortly after, the Uruguay Round of GATT talks was initiated with the ex-

³⁹See Gillingham, *European Integration*, pp. 105-120, for a useful discussion of “The New Protectionism” and “Neomercantilism” in Europe during the 1970s. Something similar, if less deeply rooted in institutions, was occurring in the U.S.

⁴⁰See I.M. Destler, *American Trade Politics*, 3rd ed. (Washington DC.: Institute for International Economics, 1995), for details and for a thoughtful discussion of the dynamics of American trade politics.

⁴¹See Jagdish Bhagwati and H.T. Patrick, eds., *Aggressive Unilateralism: America’s 301 Trade Policy and the World Trading System* (Ann Arbor MI: University of Michigan Press, 1990). As the title makes clear, they use the term to refer to one specific provision. It would seem, however, to have a broader applicability to the range of policies adopted during the 1980s. For a more dramatic account, see Steve Dryden, *Trade warriors: USTR and the American Crusade for Free Trade* (New York: Oxford University Press, 1995).

⁴²See Otis L. Graham, *Losing Time: The Industrial Policy Debate* (Cambridge MA: Harvard University Press, 1992). More generally, see Philip Cerny, “Paradoxes of the Competition State: The Dynamics of Political Globalization,” *Government and Opposition* XXXII,2 (1997): 251-274; President’s Commission on Industrial Competitiveness, *Global Competition: The New Reality* (Washington DC: U.S. Gov’t Printing Office, 1985); Paul Krugman, “Making Sense of the Competitiveness Debate,” *Oxford Review of Economic Policy* XII,3 (1996): 17-25; Alan Dobson, *US Economic Statecraft for Survival, 1933-1991* (London: Routledge, 2002), p. 85; and, most recently, Tore Fougner, “The State, international competitiveness and neoliberal globalisation: is there a future beyond the ‘competition state’?” *Review of International Studies*, XXXII (2006), 165-185. The concern with competitiveness began just prior to the accession of Reagan and Thatcher, but became much more intense thereafter.

explicit aim of reducing trade barriers in agriculture and services.⁴³ The Omnibus Trade and Competitiveness Act of 1988 provided further assistance in the effort to expand trade and markets: it extended “fast-track” negotiating authority needed to continue progress in multilateral trade talks, it strengthened the administration’s hand in seeking to penetrate closed foreign markets, and it contained relatively few protectionist provisions that might have provoked resistance or retaliation from other countries. By the late 1980s, the commitment to a market-oriented economic strategy was largely secured.

Economic strategy was thus simultaneously and explicitly a matter of internal and external policy, and it was market-oriented in both countries. It was also normative and prescriptive, for the U.S. – with strong support from the Thatcher government – urged a turn to world markets and the freeing up of internal markets as the preferred alternative to the more state-centered strategy of import substitution industrialization (ISI) previously followed by many developing countries. This new “Washington consensus,” or “Washington/London consensus,” was largely adopted and enforced by international economic institutions like the IMF, the World Bank, and the OECD, within which the U.S. and Britain exercised major influence.⁴⁴ Again, while it is likely that the U.S. would have fought for such a policy reversal on its own, the fact that it did so with British support made U.S. advocacy more effective, in part by reducing America’s exposure and vulnerability. Just as British efforts on behalf of the Single Market extended the reach of market-oriented policies within Europe, so the joint U.S./UK stance on the international economy rendered it more compelling.

The external dimension of neoliberalism was also taken further and in a new direction as the Reagan and Thatcher regimes argued that opening markets and encouraging trade would also bring peace and democracy. The heightened anti-Soviet rhetoric of Reagan and Thatcher was routinely accompanied by a curiously simple formula in which free markets and human rights would effect an almost painless victory over communism. Thus when Ronald Reagan addressed Parliament in June 1982, he called for a strategy to resist totalitarianism by opening markets and by fostering “the infrastructure of democracy – the system of a free press, unions, political parties, universities,” the exchange of ideas, and ultimately free elections. Coincidentally, or so it would appear, the 1970s had seen democratic transitions in key states in southern Europe; and the 1980s would witness a further turn towards democracy first in an array of developing countries, especially in Latin America, and later in Eastern Europe.⁴⁵ For the first time since the end of the Great War, it had become credible to argue that markets and democracy

⁴³See James Shoch, *Trading Blows: Party Competition and U.S. Trade Policy in a Globalizing Era* (Chapel Hill: University of North Carolina Press, 2001).

⁴⁴There is a huge literature on the Washington consensus. For a useful starting point, see Ngaire Woods, *The Globalizers: the IMF, the World Bank and their Borrowers* (Ithaca NY: Cornell University Press, 2006).

⁴⁵See Samuel P. Huntington, *The Third Wave: democratization in the late twentieth century* (Norman: University of Oklahoma Press, 1993), for whom the key variable was not markets or changes in class structure, as many would argue, but the shifting stance of the Catholic Church.

were genuinely compatible and self-reinforcing.⁴⁶ Surveying these developments as they were unfolding, Reagan felt justified in claiming that, "These democratic and free-market revolutions are really the same revolution."⁴⁷ Margaret Thatcher was prone to similar pronouncements. She had told an audience in Brussels in 1978 that, "Democracy depends on private enterprise as well as the ballot box and countries which have the first are more likely to be able to move towards the second. Free enterprise has historically usually preceded freedom, and political freedom has never long survived the end of free enterprise."⁴⁸ Not surprisingly, Thatcher positioned herself and the British government alongside Reagan throughout the 1980s, echoing his passionate advocacy of free markets, and seeking wherever possible to demonstrate Britain's role as America's best friend and ally in the promotion of markets and rights.

This combining of markets and rights was a distinctive part of the neoliberal outlook. It represented an adaptation and substantial reworking of the commitment to human rights made during the Carter administration. It is obvious that neither Reagan nor Thatcher shared the sentimental, and principled, attachment to rights and democracy that lay behind Carter's discourse and that in some measure informed Labour's internationalist outlook. The Reagan campaign had in fact been happy to denounce the negative consequences that they claimed had flowed from Carter's policies. But once in power Reagan and Thatcher found it useful to continue talking about rights and democracy, even as they chose to add or substitute freedom and free markets in their particular formulations and even as their practice was highly selective. What made it attractive to maintain previous policies was, of course, their effectiveness in criticizing the Soviet Union, particularly at a time when verbal criticism was much safer and easier than armed confrontation.

While the commitment to markets, rights and democracy was the most novel feature of the new policy framework, military and strategic orientations were also brought into line. This might not be immediately obvious, for the most visible phenomena at the time were the heating up of Cold War rhetoric and loose talk about the real possibility of using nuclear weapons.⁴⁹ Reality matched discourse in the realm of military spending,

⁴⁶See Larry Diamond, Juan Linz and S.M. Lipset, eds., *Democracy in Developing Countries*, 4 vols. (Boulder CO: L. Rienner, 1988); and Diamond and Marc Plattner, eds., *The Global Resurgence of Democracy* (Baltimore: Johns Hopkins University Press, 1993).

⁴⁷Reagan, speech of December 16, 1988, cited in Tony Smith, *America's Mission: The United States and the Worldwide Struggle for Democracy in the Twentieth Century* (Princeton: Princeton University Press, 1994), p. 292.

⁴⁸Margaret Thatcher, *The Sinews of Foreign Policy: An address to Les grandes Conférences Catholiques, Brussels* (London: European Conservative Group, 1978), p. 5.

⁴⁹Michael Hunt, *American Ascendancy: How the United States Gained and Wielded Global Dominance* (Chapel Hill NC: University of North Carolina Press, 2007), pp. 254-57. On the complexities of strategy in the Reagan era, see also James Graham Wilson, "How Grand Was Reagan's Strategy?" *Diplomacy and Statecraft* XVIII,4 (December, 2007): 773-803, and the literature cited there. It was obvious even at the time that the realities of strategy under Reagan differed from the rhetoric. See, for example, Lawrence Freedman's "Conclusion" to Freedman, ed., *The Troubled Alliance: Atlantic Relations in the 1980s* (New York: St. Martin's, 1983), pp. 152-54. The policy was clearly articulated in "U.S. National Security Strategy," April 1982, *Digital National Security Archive, Presidential Directives on National Security*.

which increased substantially under Reagan and Thatcher, in the decision to deploy a new generation of intermediate range weapons, specifically Pershing and Cruise missiles, and in the 1993 proposal for a missile defense system popularly known as “Star Wars.”

Ironically, however, these aggressive moves were to a considerable extent misleading, for they were not backed up by plans for major military interventions and actual engagements were marginal, short-term and relatively risk-free. Nor were existing arms agreements jettisoned.⁵⁰ The reluctance actually to use the massive arsenal at America’s disposal would be termed the Weinberger doctrine after Reagan’s Secretary of Defense and it would later become known as the Powell doctrine. For both of these architects of American strategy the experience of Vietnam was formative, a disaster never to be repeated. Instead, they reverted to what was already an outmoded strategic orientation, the Air-Land Battle Doctrine devised in the early 1980s by the U.S. Army. Turning the focus away from efforts to combat guerilla forces, planners reimagined a large-scale confrontation with the Soviets in which U.S. and western forces would be outnumbered and outgunned by the Red Army and its allies. However unlikely this scenario, it was one in which success would depend on the ability to combine air and land forces and to use advanced technology and superior mobility to counter the Soviet advantage. The implication was that the U.S. should not merely maintain its existing military forces but enhance their effectiveness with new weapons and communications technology. This battle-fighting strategy would be combined in future with a political effort to ensure that the military received the resources and the public support it deemed necessary to prevail in a conflict. The Weinberger/Powell doctrine was to this extent far from pacific, but it did place serious constraints on when and where and how military forces would be deployed.⁵¹ Thus the lessons of Vietnam and, for Britain and the U.S., the lessons learned from the end of empire, would serve as the foundation for future military strategy, and it was this new post-imperial realism that insured that the rhetorical excesses of the 1980s were routinely held in check by cautious and pragmatic policies.

The adoption of a new policy framework also provided the occasion for a reassertion of the “special relationship” between Britain and America. This was in part due to the shared vision of Thatcher and Reagan and to their obvious personal chemistry. But there was also at least some recognition of mutual need. Any lingering British aspiration for a world role required that it be achieved in alliance with the United States, and the Thatcher government chose not only to renew the alliance but also to ignore slights and disagreements that might have disrupted it. Equally important, it appears that the

⁵⁰Minor, harassing engagements on the periphery continued, but it is only in retrospect that they have taken on any major significance, and it is unlikely they had a serious impact on the demise of the Soviet Union. Some had greater hopes, of course, and some had greater fears. See, for instance, W. Bruce Weinrod, ed., *Confronting Moscow: an agenda for the post-détente era* (Washington DC: Heritage Foundation, 1985); and, for a critique, Michael Klare and Peter Kornbluh, eds., *Low-intensity warfare: how the USA fights wars without declaring them* (London: Methuen, 1989).

⁵¹See James Kurth, “Variations on the American Way of War,” pp. 53-98, and Andrew Bacevich, “Elusive Bargain: The Pattern of U.S. Civil-Military relations since World War II,” pp. 207-264, in Bacevich, ed., *The Long War: A New History of U.S. National security Policy since World War II* (New York: Columbia University Press, 2007).

British willingness to fight over the Falklands convinced American officials that, uniquely among allies, Britain might make at least some useful military contribution to the allied cause.⁵² On the American side, and rather more surprisingly, the Reagan administration sensed that its policies were genuinely controversial and worked hard to defend them and to win allies. In fact, at the height of the mass protests over nuclear weapons in 1982 Reagan undertook a tour of European capitals to argue for American policies and to shore up alliances. The first stop was Britain and it is clear that the Thatcher government's solid support was in the context extremely welcome. Alongside these pragmatic calculations was the simple fact that while Britain and the U.S. had other allies, it was only the two countries, or their governments, that shared the broader neoliberal paradigm for managing both economic and foreign policy. The effect was to align their interests and thus to put them routinely on the same side on major international issues and in international institutions.

Ending the Cold War

Remarkably – and perhaps only accidentally – the policy mix adopted during the 1980s by the U.S. and the UK was rewarded and seemingly ratified as grand strategy by the collapse of socialism and the end of the Cold War. Success in the Cold War would smooth over awkward details about failed missions and egregious mistakes – Iran-Contra most notably – by shifting the focus to the outcome of that great contest. It would therefore confer a retrospective consistency and coherence on the policy initiatives of the 1980s and transform them into a formula that could be applied to the world after the Cold War's ending. This is a rare occurrence in policymaking, especially in the making of foreign policy, which tends to be reactive and dominated by the need to deal with unforeseen events rather than with reference to first principles. Even the actions of a self-proclaimed “conviction” politician such as Margaret Thatcher were characterized by aides as a matter of “what next” rather than what follows from our beliefs and programmes.⁵³ Ronald Reagan's famed indifference to detail perhaps made him by default a leader guided by a broad philosophical outlook, but this is hardly a recipe for effectively embedding principles into strategy. And, of course, events do not always fit easily within the dictates of grand strategy, as the historical record shows repeatedly. The recent foreign policy experience of the U.S. and Britain in the 1980s had been different, however, and what distinguished it were four unusual features: the first was that there were significant and more or less simultaneous innovations in both internal and external policies in the two countries; the second was the unique congruence between policy at home and abroad; the third was the fact that policymaking was more coherent than usual in both Britain and the U.S.; and fourth, the outcome made it all look even more coherent and principled.

These unique circumstances ensured that the new paradigm would become the basis for Anglo-American efforts to shape the post-Cold-War world order. A well-armed but restrained military posture harnessed to a liberal or neoliberal agenda had appar-

⁵²This was the conclusion drawn by Nicholas Henderson, British Ambassador to Washington at the time. See Henderson, *Mandarin: The Diaries of an Ambassador* (London: Weidenfeld & Nicolson, 1994), pp. 442-468.

⁵³See John Coles, *Making Foreign Policy: A Certain Idea of Britain* (London: John Murray, 2000).

ently won the Cold War and so required only minor adjustment in its aftermath. In this situation timing was everything: a more long-term view of how the Cold War was “won” might well have suggested that success depended first and foremost on the viability of the post-World War II settlements, with their commitments to expanded social provision and full employment, rather than upon the neoliberal turn of the 1980s. If that were so, then a successful transition to a post-Cold War world order might likewise require something akin to a new Marshall Plan coupled with institutional innovations comparable to those put in place in the 1940s.⁵⁴ But because the Cold War ended with this new and more muscular liberalism in place as economic and foreign policy, options of this sort were never taken very seriously. In consequence, the Charter of Paris agreed to in November 1990 contained no basic departure from what had gone before: it was a limited constitutional document, merely reaffirming the commitment of states to human rights, democracy and secure borders, and it was unaccompanied by grand gestures aimed at reconstruction or welfare or at recasting international institutions.⁵⁵ Instead the American, or Anglo-American, vision of a new world order involved a continuation of existing security strategies with minimal adaptation, the continued advocacy of human rights, and an intensification of the push for open markets.⁵⁶ And because this vision was already in place, and so apparently successful, when the Cold War ended, it would become the starting point for the elaboration of a post-Cold-War world order.

Probably the most significant practical consequence was the continuity in military affairs. As the threat of confrontation with the Soviet Union evaporated, defenders of the military and defense industries geared up to resist demands for decreasing defense spending and for diverting savings to domestic needs, the so-called “peace dividend.” Very quickly, for example, U.S. military planners proposed standards for ensuring U.S. military predominance far into the future: not only should the U.S. be prepared to fight wars simultaneously on two fronts, it should also seek to prevent the emergence of any serious challenger. The fullest articulation of this grand vision was the “Defense Planning Guidance” document issued by the Defense Department under Dick Cheney in 1992. The boldness of the program led to its quick abandonment, at least in public, but it captured well the goals of strategic planners.⁵⁷ Better arguments for those goals could in fact be found elsewhere by focusing upon the dangers posed by “rogue” or “outlaw”

⁵⁴On the construction of those settlements, see Charles S. Maier, “The Two Postwar Eras and the Conditions for Stability in Twentieth-Century Western Europe,” *American Historical Review* LXXXVI (1981): 327-352; and Trachtenberg, *Constructed Peace* (Princeton: Princeton University Press, 1999). G. John Ikenberry suggests in *After Victory* (Princeton: Princeton University Press, 2001) that the minimal adjustment of major international institutions after the Cold War is testimony to the institutional framework put in place at the end of World War II. This would seem rather optimistic.

⁵⁵Philip Bobbitt, *The Shield of Achilles: War, Peace and the Course of History* (New York: Knopf, 2003), pp. 636-39. See also Samuel Wells and Paula Smith, eds., *New European Orders, 1919 and 1991* (Washington DC.: Woodrow Wilson Center Press, 1996); and Robert Keohane, Stanley Hoffmann and Joseph Nye, eds., *After the Cold War* (Cambridge MA: Harvard University Press, 1993).

⁵⁶As Walter McDougall argues, “Neither Bush nor Clinton presided over a real reassessment of the old U.S. traditions...” in foreign and defense policy. See McDougall, *Promised Land, Crusader State*, p. 202; and also Bacevich, *America’s Empire*, p. 77.

⁵⁷Arnold Offner, “Liberation or Dominance: The Ideology of U.S. National Security Policy,” in Bacevich, *Long War*, p. 33; Hunt, *American Ascendancy*, p. 276.

states with regional ambitions and the problems of nuclear proliferation and the more general availability of “weapons of mass destruction.”⁵⁸ Absent a clear case, such arguments might not have prevailed against advocates of cuts in defense spending, but Iraq’s invasion of Kuwait in 1990 provided an almost irrefutable argument. The successful prosecution of the first Gulf war, and the effective marshalling of a UN-backed coalition in its support, served to underline the importance of maintaining strong U.S. military capabilities.

British foreign defense policy moved in a parallel direction. Thatcher had of course chosen to work closely with the U.S. in the closing years of the Cold War and supported Gorbachev just enough to see him fall and the Soviet Union dissolve. The Thatcher government had more hesitations over German reunification, but accepted the outcome, and it worked together with the U.S. to create a new rationale and architecture for NATO.⁵⁹ The objective was to maintain NATO’s transatlantic basis while moving towards an enhanced European defense commitment and to further the alliance’s eastward extension so as to consolidate the geopolitical gains from the collapse of Soviet power. It is likely that, absent the Anglo-American connection, NATO would have evolved in a very different direction in the 1990s. As it was, it not only continued in its Atlanticist orientation but at U.S. and UK urging began as well to contemplate “out of area” operations and capabilities. At the same time, Britain’s own investment in defense would also remain substantial: the 1990 “Options for Change” review of defense policy involved reductions in spending made necessary by the state’s finances and possible by the ending of the Cold War, but it did not envision an end to Britain’s purported world role, its status as a nuclear power and its alliance with the United States. The U.S. and UK would move still closer during the ensuing Gulf War, when diplomacy and war merged. The coalition against Iraq was of course much broader, but the core of it was an Anglo-American alliance. Relations became a bit more strained after the war, as the Bush administration moved on its own in the Middle East and John Major’s attention was diverted elsewhere.⁶⁰ More serious differences would also emerge over whether to intervene in Yugoslavia. On balance, however, in the early post-Cold-War era, Britain and the United States locked themselves in to a more or less common stance in terms of defense and security policy.⁶¹

The security regime thus remained largely intact. At the same time, the liberal regime of trade and exchange was further expanded. The Democrat Bill Clinton proved as eager as his Republican predecessors to extend the scope of trade liberalization. The fact that Clinton won election on economic issues predisposed his administration to put the economy first and, as the candidate put it at Georgetown University in December 1991,

⁵⁸Simpson, *Great Powers and Outlaw States*; Michael Klare, *Rogue States and Nuclear Outlaws: America’s Search for a New Foreign Policy* (New York: Hill & Wang, 1995).

⁵⁹G.R. Urban, *Diplomacy and Illusion at the Court of Margaret Thatcher* (London: I.B. Tauris, 1996).

⁶⁰See John Dickie, *‘Special’ No More – Anglo-American Relations: Rhetoric and Reality* (London: Weidenfeld & Nicolson, 1994).

⁶¹The often quite sharp differences that developed over Yugoslavia are fully chronicled in Brendan Simms, *Unfinest Hour: Britain and the Destruction of Yugoslavia* (London: Penguin, 2002). See also Raymond Seitz, *Over Here* (London: Weidenfeld & Nicolson, 1998). Seitz was U.S. ambassador to the UK, 1991-94.

“to tear down the wall between domestic and foreign policy.” Secretary of State Warren Christopher told the Senate Foreign Relations Committee much the same thing: the new administration would “not be bashful about linking our high diplomacy with our economic goals” and would seek to “advance America’s economic security with the same energy and resourcefulness we devoted to waging the Cold War.”⁶² Clinton’s foreign policy would be framed rather inelegantly as a matter of “engagement and enlargement.”⁶³ This could be achieved best by indirect and multilateral means that embedded states within international networks and eased the transition to democracy or, in hard cases, by intervening in “rogue” or “failed” states. In practice, the Clinton administration’s major and most successful efforts were directed into a policy of enlarging NATO and the European Union as a means of “locking in” the shift towards democracy in central and eastern Europe and a broader campaign “to expand and strengthen the world’s community of free-market democracies.”⁶⁴ The aim was virtually identical to that of the previous administration: “to secure and extend the remarkable democratic ‘zone of peace’ that we and our allies now enjoy.”⁶⁵ Underpinning the policies of both Clinton and his predecessors was the faith that capitalism and democracy were mutually reinforcing and that democracies did not go to war with each other.⁶⁶

Within this strategic framework it was therefore a matter of both economic policy and security strategy to undertake efforts to encourage exports, which meant continued hard bargaining with Japan, as well as to ratify the North American Free Trade Agreement (NAFTA) and to “engage” with China economically as the most realistic strategy for reform and as part of a more long-term “engagement” with nations of the Pacific Rim. The Clinton administration also worked extremely hard to assure a successful outcome for the Uruguay Round of GATT talks that led to the creation of the World Trade Organization in 1995. Later on, Clinton would work furiously to convince Congress and the

⁶²Warren Christopher, January 25, 1993, cited in Klare, *Resource Wars* (New York: Metropolitan Books, 2001), p. 8.

⁶³Or a “strategy of openness,” as Bacevich, *America’s Empire*, chapter 4, labels it.

⁶⁴The phrase is from Bill Clinton’s speech to the United Nations, September 27, 1993, quoted in Michael Cox, “Wilsonianism Resurgent? Democracy Promotion under Clinton,” in Cox, Ikenberry and Takashi Inoguchi, eds., *American Democracy Promotion: Impulses, Strategies and Impacts* (Oxford: Oxford University Press, 2000), p. 224. See also the Clinton White House document, *A National Security Strategy of Engagement and Enlargement*, February 1996. Earlier variations appeared in 1994 and 1995 and the policy was largely in place in 1994, if not earlier. There was in fact an earlier moment when the participants in the Organisation for Security and Cooperation in Europe sought to bind themselves to peace and democracy in 1990, when they signed up to the *Charter of Paris for a New Europe* (Paris: OSCE, 1990). On this effort, see Robert Jackson, *The Global Covenant: Human Conduct in a World of States* (Oxford: Oxford University Press, 2000), pp. 350-51. For a critique that links this orientation to positions subsequently adopted by Bush and Cheney, see Michael Desch, “America’s Liberal Illiberalism: The Ideological Origins of Overreaction in U.S. Foreign Policy,” *International Security* XXXII,3 (Winter, 2007-08): 7-43.

⁶⁵This comes from the toned-down version of the Cheney/Wolfowitz proposal of 1992, published as Dick Cheney, *Defense Strategy for the 1990s* (Washington DC: U.S. Department of Defense, January 1993) and cited in Hunt, *American Ascendancy*, p. 276.

⁶⁶Nicholas Guyatt, *Another American Century? The United States and the World since 9/11* (London: Zed Books, 2003), p. 179.

Senate in 2000 to approve the grant to China of “Permanent Normal Trade Relations” (PNTR) status, the prerequisite to joining the WTO.

British policy followed a parallel course, both on security and defense issues as well as on matters of trade liberalization. Despite the rise in Eurosceptic sentiment among his fellow Tories, John Major continued to support Britain’s further economic integration into Europe and the further opening of its economy via that route. He successfully secured an “opt-out” from the sections of the 1992 Maastricht Treaty on social and labor issues and the inclusion of language reaffirming the “centrality of the American security relationship.”⁶⁷ These achievements did not silence Major’s critics, of course, and treaty approval would require a year and a half of bitter debate. Still, it was eventually won and the country signed up to further steps toward economic integration, if not towards the single currency. Britain also worked for and welcomed the creation of the WTO and expected great benefits from the liberalization of insurance and financial services, fields in which the UK enjoyed an acknowledged comparative edge.⁶⁸ The British Ambassador to the United States during the early 1990s, Robin Renwick, recalled later that he and his staff “worked together very closely with the Americans in achieving a successful outcome to the Uruguay Round of trade negotiations leading to the setting up of the WTO...”⁶⁹ Michael Hesseltine, President of the Board of Trade, continued the push for open markets and insisted in 1995 that “The UK’s reliance on export-led growth demands further steps towards liberal markets, not a move backwards to protectionism.” A Chatham House study recommended the same stance shortly after: “In an age when the way to economic success is agreed, with an unprecedented global unanimity, to be open markets and free competition, the proximate goal of British policy must therefore be to extend and consolidate the global free trading system that has been constructed in recent years and is now overseen by the WTO.”⁷⁰

Inevitably, there were specific trade disputes with the U.S., and probably more because of British membership in the EU, but detailed disagreements on particular products and industries flow logically from, and constitute a kind of indirect confirmation of, a shared commitment to an economic strategy of growth through trade. So, too, does the fact that at roughly the same time, the UK adopted an American-style policy of reciprocal negotiations aimed at penetrating closed markets, the so-called “Trade Barriers Strategy.” Through and alongside the EU Britain sought to expand its continental market and to open world markets; while within the EU Britain pushed for more competition and flexible labor markets that, it was hoped, would disproportionately benefit British companies.

⁶⁷Dumbrel, *A Special Relationship*, p. 192.

⁶⁸In a paper prepared for John Major in 1992, the diplomat Percy Craddock defined the government’s “first task, in time and probably in importance, as the conclusion of the current round of negotiations in GATT.” Craddock, *In Pursuit of British Interests* (London: John Murray, 1997), p. 191.

⁶⁹Robin Renwick (Lord Renwick of Clifton), transcript of 1998 interview, British Diplomatic Oral History Programme, DOHP33.

⁷⁰Lawrence Martin and John Garnett, *British Foreign Policy* (London: Royal Institute of International Affairs, 1997). Martin was the Director at Chatham House during 1991-96.

After the Cold War: From Iraq to Iraq, by way of Sarajevo and Seattle

The policy paradigm inherited from the last years of the Cold War was thus the foundation for what the U.S. and the UK sought to do and for the world order they tried to craft during the 1990s. And coming on top of the fall of Communism and the less dramatic, but nevertheless impressive, defeat of Saddam Hussein in 1991, the effort was accompanied by an optimism that bordered on the utopian. The sentiment was not confined to recently vindicated cold warriors celebrating the apparent “End of History,” but also infected normally more cautious scholars of international relations and even political philosophers who are typically pretty disenchanted about actually existing politics.⁷¹ It became commonplace to theorize about the “democratic peace,” with its assumed links between democracy, capitalism and peace, and about the possibility of enlarging the sphere of “market-oriented democracies.”⁷² In this vision globalization was not simply a matter of expanding trade but of spreading democracy and peace. Whether these sentiments were entirely delusional or a plausible reckoning with what was in fact a moment of world-historic significance, can well be debated. What is surely not debatable is the fact that this view of the world described a prospect that is a long way from the realities of international politics and from the policies of the United States and Britain since 9/11.

Obviously, the attacks on New York and Washington had a great deal to do with this transformation and so, too, did the fact that George W. Bush happened to be in the White and was flanked there by Dick Cheney and Donald Rumsfeld. In fact, however, the policies pursued by the partners in the “special relationship” had already begun to shift during the 1990s. The shift had come in response to developments which, though partly foreseen, had not been fully reckoned with, and these developments led in a direction that modified, if not the principles and objectives, at least the implementation of the neoliberal paradigm. What drove this shift, prior to 9/11, were two factors: the first was the continued difficulty of dealing with “rogue states” and the “humanitarian crises” to which they seemed prone and which were so prominent a feature of international relations during the 1990s; and the ongoing process known as the “revolution in military affairs” which gradually undermined the Powell doctrine and the overall policy of military restraint. A brief review should serve at least to illustrate these processes.

The first serious post-Cold-War crisis arose with the Iraqi invasion of Kuwait and posed no major challenge to the inherited Anglo-American policy framework. On the contrary, it largely reinforced existing strategy. The massive military forces marshaled against Iraq, and the choice not to topple the regime when it was routed on the field of battle, suggested that the Weinberger/Powell doctrine still governed strategy. The coalition put together to respond to the invasion also provided plausible grounds for believ-

⁷¹Francis Fukuyama, “The End of History,” *The National Interest* (1989); Michael Doyle, “An International Liberal Community,” in Graham Allison and Gregory Treverton, eds., *Rethinking America's Security: Beyond the Cold War to New World Order* (New York: Norton, 1991).

⁷²Bruce Russett, *Grasping the Democratic Peace: Principles for a Post-Cold War World* (Princeton: Princeton University Press, 1993). For a critique arguing that such thinking led ultimately to the war in Iraq, see Tony Smith, *A Pact with the Devil* (London: Routledge, 2007), esp. chapter 4; and, from a different perspective, Desch, “America's Liberal Illiberalism.”

ing that the Anglo-American alliance was compatible with a multilateral approach to international affairs. Indeed, the incoming Clinton administration was sufficiently impressed that it actually spent its early days developing guidelines for future UN peace-keeping missions.⁷³ At the same time, however, the first Gulf War did signal the future in two critical ways: first, by showing the possible danger posed by a “rogue” state; and second, by highlighting the potential of new types of high-tech warfare. Subsequent events would make it still clearer how difficult it would be to use the existing array of international institutions and preferred policy options to deal with the problems created by “rogue” or “failed” states.

The most visible case was Yugoslavia, where the U.S. and its allies were frustrated both by the intractability of the conflict and also by their failure to agree. The Clinton and first Bush administrations were cautious about intervening in Yugoslavia, the Major government highly resistant. The difference was partly a matter of principle and partly a disagreement about the means rather than the ends of policy. The United States insisted that the fate of the peoples of the former Yugoslavia was a European problem that Europeans should address. It was reluctant to commit its own forces or to support UN efforts. Fairly early on, however, the U.S. determined that the Serbs were the aggressors and ought to be confronted. The British government under Major and Douglas Hurd adopted a more neutral stance, preferring to see the merits of both sides in the conflict, and emphasizing the practical difficulties of intervention. Eventually, events in Sarajevo and Srbenica aroused a level of popular indignation that prompted the U.S., Britain and other European countries to get involved: the arms embargo was lifted, air strikes were called in on the Bosnian Serbs, and the U.S. and the EU began the negotiations which produced the Dayton Accords in 1995.⁷⁴ By that time, however, enormous losses had been incurred by the local populations and policymakers in the U.S., Britain and elsewhere had concluded that the failure to act earlier had demonstrated once again the ineffectiveness of existing international institutions, especially the European Union and the United Nations, and the inadequacy of the principles on which they operated. As former National Security Adviser Zbigniew Brzezinski put it not long af-

⁷³“Assertive multilateralism” was the term used by Madeleine Albright and Anthony Lake to describe Clinton administration policy in 1993, before the debacle in Somalia. It was formally replaced by a more cautious policy premised on the need to make “hard choices about where and when the international community can get involved.” The quote is from Anthony Lake, speaking on May 5, 1994, and cited in Guyatt, *Another American Century?* p. 81. Commentators were uniformly critical of the Clinton administration’s more cautious approach, with many on the left decrying its timidity and others deploring its preference for social work. See, for example, Michael Mandelbaum, “Foreign Policy as Social Work,” *Foreign Affairs* LXXV,1 (Jan-Feb, 1996): 16-32; Alvin Rubinstein, “The New Moralists on a Road to Hell,” *Orbis* XL,2 (Spring, 1996): 277-295; and Richard Haass, *The Reluctant Sheriff: The United States after the Cold War* (New York: Council on Foreign Relations, 1997), who proposed that a strategy of “engagement” be replaced by one of “regulation,” though to much the same end. For a thoughtful defense of Clinton foreign policy, see Stephen Walt, “Two Cheers for Clinton’s Foreign Policy,” *Foreign Affairs* 79,2 (March-April, 2000): 63-79.

⁷⁴Simms, *Unfinest Hour*.

ter, “the crisis in Bosnia offered painful proof of Europe’s continued absence, if proof were still needed.”⁷⁵ The UN was equally absent.

Failure and indecision were obviously not confined to Europe. The early 1990s witnessed not only the bloody events in Yugoslavia but also the decision by the United States to pull out of Somalia under duress in 1993 and the broader failure of the international community to stop the genocide in Rwanda in 1994. The post-Cold-War promise of a “new world order,” so palpable in 1990-91, had by the mid-1990s turned to disappointment.⁷⁶ In the aftermath of its failed exercises in “assertive multilateralism” and the comparable disasters that had come from the absence of multilateral action, the U.S. in particular became more reluctant to commit troops and money in places where it could not be confident of the outcome. In this context, however, the Clinton administration came to a somewhat greater appreciation of the value of British support. The connection with Britain “stands above the rest; a model for the ties that should bind democracies,” Clinton argued in November 1995, and with the election of Tony Blair in 1997 the U.S. president now had a partner with whom he could deal.

British and American leaders and policies would become unusually close in the late 1990s and they would traverse much the same course in their thinking about international relations, the problem of “rogue” states and “humanitarian intervention”, and the recourse to armed force. Collaboration was most marked over Iraq and Kosovo. In Iraq Saddam Hussein began to resist further UN inspections, while international support for the sanctions regime started to fray as its impact on civilians became the subject of intense debate. The U.S. and UK governments took a common and tough line, with the British Foreign Secretary Robin Cook arguing in March 1998 that “Saddam Hussein is the clearest example of a leader who is also a terrorist.” When Iraq expelled inspectors the following December, Britain and the U.S. carried out joint air strikes.

The attacks on Iraq had little effect and received little support at home or abroad. But shortly after, a new crisis arose in which it appeared a decisive intervention might actually make a difference and elicit international approval. Stymied in Bosnia, Serb forces were by 1999 applying pressure on Kosovo aimed at stifling the region’s drive for autonomy. NATO was eager to prove its worth after its earlier embarrassment but, as with the previous crises, there was an intense debate over military options, in particular over the use of air power versus the deployment of ground forces. Blair very much took the lead in this case, arguing that both were needed, while Clinton was distracted and also wary of committing American troops. As the confrontation unfolded, Blair used a scheduled speech in Chicago in April, 1999 to articulate his “doctrine of international community.”⁷⁷ In this he laid out the rationale, and conditions, for humanitarian intervention. Clinton was forced in the end to agree; and the threat of invasion, coupled with

⁷⁵Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Implications* (New York: Basic, 1997), p. 59.

⁷⁶Mead, *Special Providence*, pp. 264-309.

⁷⁷Tony Blair, speech to the Economic Club of Chicago, April 22, 1999. For an assessment of the speech’s implications and its implicit rehabilitation of older principles and arguments about “the standard of civilization,” see Jackson, *The Global Covenant*, pp. 355-360 and for background, Gerritt Gong, *The Standard of ‘Civilization’ in International Society* (Oxford: Clarendon, 1984).

the ongoing air campaign, forced the Serbian leadership to capitulate. In the aftermath, the United Nations ratified the NATO campaign and undertook to supervise the peace.

Success in Kosovo was critical in three respects: first, it underlined the reality and potential usefulness of the “special relationship” in international affairs; second, it provided a practical template for military intervention outside the control of the UN; and third, because intervention in Kosovo was judged to have been “illegal, but legitimate,” it in effect stretched the acceptable boundaries of international law so as to permit clear violations of sovereignty by *ad hoc* “coalitions of the willing.”⁷⁸ Military action against Iraq and Serbia also provided a clear indication that while Tony Blair and New Labour might claim to pursue an “ethical foreign policy,” it would not necessarily be a pacifist one. So, too, did the roughly simultaneous conclusions of the Defence Policy Review of 1998, which continued the gradual reduction in British military spending but reaffirmed the Labour Party’s conversion to maintaining both conventional and nuclear forces and added to the defense repertoire with the creation of a “rapid reaction force.”⁷⁹ After Kosovo, then, the search for a new world order had come to be defined as a largely Anglo-American concern, for not only did the U.S. and Britain together – although of course the United States could do much of this all alone – wield massive clout, but their collaboration was built upon a vision of common interests and a legacy of trust deriving from a history of joint ventures; and it was organized around a reasonably coherent and at least plausible set of principles encompassing human rights, the rule of law, democratic governance and open markets. It was almost inevitable, then, that at the core of any future “coalition of the willing” would be the narrower, but more firmly based, Anglo-American alliance.

The contrast with the weakness and discord and paralysis that seemed the rule elsewhere in the world and in the international institutions which superintended it reinforced this identification of British and American interests and strategic outlooks. So, too, did the evident prosperity that Britain and the United States enjoyed during the 1990s, again in contrast with others – in this case former models like Germany and Japan and friendly rivals like France. Not only did a return to growth make it possible for both

⁷⁸The “illegal, but legitimate” judgment was rendered by the Independent International Commission on Kosovo. The intervention was a crucial fact behind the creation of the International Commission on Intervention and State Sovereignty, which reported to UN Secretary-General Kofi Annan in late 2001 and whose report developed the concept of the “right to protect” as a compelling reason to intervene. On both of these points see David Coates and Joel Krieger, *Blair’s War* (Cambridge: Polity, 2004), pp. 139, 144-45; and, for an insistent critique, Smith, *Pact with the Devil*, pp. 167-175. For the statement itself, see International Commission on Intervention and State Sovereignty, “The Responsibility to Protect,” Ottawa, Ontario: International Development Research Centre, 2001. While intervention in Kosovo served as a new model, it was not without its critics. For assessments, see Ivo Daalder and Michael O’Hanlon, *Winning Ugly: Nato’s War to Save Kosovo* (Washington DC: Brookings Institution, 2001); and Andrew Bacevich and Eliot Cohen, eds., *War over Kosovo* (New York: Columbia University Press, 2002). On the broader phenomenon, see Lawrence Freedman, “The age of liberal wars,” *Review of International Studies* XXXI (2005): 93-107.

⁷⁹Louise Richardson, “British State Strategies after the Cold War,” in Robert Keohane, Joseph Nye and Stanley Hoffmann, *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991* (Cambridge MA: Harvard University Press, 1993), pp. 154-55. For an assessment, see David Edgerton, “Tony Blair’s Warfare State,” *New Left Review* 230 (July-August 1998): 123-130.

Britain and the United States to envision a future in which the two nations would be more involved in maintaining world order than other countries, but it also necessitated it. Growth for the two economies was closely linked to the expansion of trade and investment, that is to globalization, and it could not be prolonged without sustained expansion of the world market. Economic success also served to confirm the policy choices of the past two decades. The turn to markets and trade and away from the state, begun in the 1980s, may or may not have produced the results of the late 1990s, but it was not unreasonable to presume a connection. The “Anglo-American model” thus came to be seen as at least as successful as Japanese or German models of capitalism.⁸⁰

This “neoliberal” achievement had also, incidentally, created a much greater degree of practical integration between the British and American economies.⁸¹ Britain and the U.S. were major sources and recipients of investment from companies that increasingly defined themselves as “Anglo-American.” This was not quite the “Anglosphere” about which the *Daily Telegraph* fantasized, nor was there any realistic prospect of Britain leaving the European Union and joining NAFTA, as the more extreme Tories and at least some conservative American politicians proposed.⁸² But it did add a material underpinning, an infrastructure, to the convergence of interests, outlooks and policies. And, so long as prosperity lasted, so also would the shared confidence that the Anglo-American model and the “special relationship” were useful for the two countries and for the world. The fact that U.S. primacy and the Anglo-American alliance in the 1990s were rooted not only in matters military and diplomatic and in the political culture, but also in the strength and the structure of their increasingly open and interrelated economies, imparted a robustness to both phenomena. Put differently, the choices and policies of the preceding and defining era ensured that the realities they left in place would now profit from institutional inertia and from the support of powerful vested interests and that they would constitute the starting point for subsequent development as well as the measure against which alternatives would be judged.⁸³

By the turn of the millennium, therefore, Anglo-American power and a particular vision of how it should be deployed was a structural feature of the emerging world order. That vision was an elaboration and updating of the paradigm that began to emerge in the 1980s. As of the late 1990s it had come to be embodied in four by now largely familiar principles: first, the maintenance of U.S. military strength and predominance, augmented at least marginally by UK military and intelligence support; second, a shared

⁸⁰Thus in the literature on comparative political economy earlier advocacy of various continental or “coordinated” market economies gave way during the 1990s to arguments about how both coordinated and uncoordinated, or “liberal market economies,” offered competitive advantages. See, for example, Peter Hall and David Soskice, *Varieties of Capitalism* (Oxford: Oxford University Press, 2001).

⁸¹Andrew Gamble, *Between Europe and America: The Future of British Politics* (London: Palgrave, 2003), pp. 102-107.

⁸²See, for example, John Redwood, *Superpower Struggles: Mighty America, Faltering Europe, Rising Asia* (London: Palgrave, 2005). On both the closer integration of the two economies and the proposal to bring the UK into NAFTA, see Dumbrel, *A Special Relationship*, pp. 174-77, 195.

⁸³Institutional inertia is one consequence of “path dependency.” On this and related issues, see Paul Pierson, *Politics in Time: History, Institutions, and Social Analysis* (Princeton: Princeton University Press, 2004).

commitment to open and opening markets; third, the belief that the promotion of democracy and human rights could best be promoted by “enlargement and engagement” through membership in organizations such as NATO, the EU and the WTO; together with the corollary that “humanitarian intervention” might be necessary to deter or replace “rogue states” when engagement had otherwise failed. The last two principles put the emerging Anglo-American vision potentially at odds with more classically Wilsonian visions that vested the hope for world order in international law, in institutions such as the United Nations, and its *de facto* multilateral approach to peace and stability.

This divergence was not new, though it appeared so when the Bush administration made loud and explicit what had been mentioned only *sotto voce* and in the fine print of the policy pronouncements of earlier administrations. The United States has had a long tradition of unilateralism and “exceptionalism” that was much in evidence, and much criticized abroad, even during the Clinton administration.⁸⁴ On the other hand, skepticism about the UN system was widely shared even outside the United States. The so-called “Charter system” of the UN was based on the elevation of national sovereignty above any consideration of justice and was for that reason alone morally and philosophically suspect.⁸⁵ The practical difficulties of coordinating action through an organization whose executive arm, the Security Council, was crippled or at least inhibited by the possibility of a veto by any of five key states with potentially conflicting interests merely confirmed the limited appeal of the UN as an institution for constructing and maintaining global order.

The tension between the global vision of the United States, and its closest ally, and the hopes of others, including some traditional U.S. or UK allies, for a more multi-polar and multilateral world order, were thus embedded in the emerging international system at the end of the century. The election of George Bush and the adoption by his administration of a more unilateralist tone, backed up by practical moves to reject the Kyoto Protocols, to “unsign” the commitment to the International Criminal Court, to resume research on missile defense and, as part of that, to renounce the ABM Treaty, made the tension much more palpable.⁸⁶ Even so, prior to 9/11 these unilateralist gestures

⁸⁴See, for example, Guyatt, *Another American Century?* whose most telling examples from the 1990s are the efforts to ban landmines and then create an International Criminal Court (pp. 64-74). On unilateralism and exceptionalism as traditional aspects of U.S. foreign policy, see Ignatieff, *American Exceptionalism and Human Rights* and McDougall, *Promised Land, Crusader State*. For slightly different perspectives on the traditions described by McDougall, see Michael Hunt, *Ideology and U.S. Foreign Policy* (New Haven: Yale University Press, 1987); and Walter Russell Mead, *Special Providence: American foreign policy and how it changed the world* (New York: Knopf, 2001).

⁸⁵See Perry Anderson, “Arms and Rights: Rawls, Habermas and Bobbio,” *New Left Review* 31 (January-February 2005): 5-40; he regrets the fact that all three theorists moved late in life to positions that might on occasion justify interventions seemingly prohibited by the doctrine of national sovereignty. Thus Rawls’s *The Law of Peoples* (Cambridge MA: Harvard University Press, 1999) “authorizes military intervention to protect human rights in states that are neither decent nor liberal, whose conduct brands them as outlaws within the society of nations” (Anderson: 6) See more generally Rosemary Foot, John Lewis Gaddis and Andrew Hurrell, eds., *Order and Justice in International Relations* (Oxford: Oxford University Press, 2003).

⁸⁶See Ruggie, “American Exceptionalism, Exemptionalism, and Global Governance,” in Ignatieff, *American Exceptionalism and Human Rights*, p. 333, on the “unsigning” of the ICC agreement. It is

were mostly symbolic and were accompanied by a determination to avoid local entanglements, humanitarian ventures and nation-building. But then came the attack on the World Trade Center, the U.S. declaration of a “war on terror,” and the decision to launch military action against Afghanistan.

The effect of 9/11 was to bring together divergent tendencies in American policy and to make the resulting mix simultaneously more martial and more unilateralist. The enormous military power wielded by the U.S. would be used for interventions whose rationale was now not merely “humanitarian” but also a matter of security; democracy would be promoted not merely by engagement but by force; and the choice for force would be made largely by the United States, in league with its most trusted or at least compliant ally, and without much regard for the “international community.” What made this militarization so easy politically was that in fact the different emphases in American and British policy were just that, differences in emphasis but not necessarily over fundamentals. Not only had Blair and Clinton, for example, backed the use of force on more than one occasion, but Reagan, Thatcher and the first President Bush had happily used the rhetoric of human rights and democracy as a complement to arms. Central to the American and Anglo-American global vision since the 1980s, moreover, was the neoliberal push towards open markets, freer trade and global interconnectedness and the belief, perhaps self-serving but not entirely insincere, that democracy and peace would follow.⁸⁷ The turn to force in American, and thus Anglo-American, foreign policy was to this extent not in the main a product of a “neo-conservative” conspiracy, even if neo-conservatives flattered themselves that it was.⁸⁸ It was a result of a long-term,

also the case that some of these initiatives occurred on Clinton’s watch, though not necessarily with his enthusiastic support. The Iraq Liberation Act was passed, and signed, in 1998; the National Missile Defense Act passed and signed the next year.

⁸⁷What Mead refers to as the Hamiltonian thrust of recent American policy. See *Special Providence*, pp. 270ff.

⁸⁸There has been much debate about the importance of “neoconservatives” in turning American, and more generally Anglo-American, policy towards force. See Smith, *Pact with the Devil*; James Mann, *The Rise of the Vulcans: The History of Bush’s War Cabinet* (New York: Penguin, 2004); Stefan Halper and Jonathan Clarke, *America Alone: The Neo-Conservatives and the Global Order* (Cambridge: Cambridge University Press, 2005); Ivo Daalder and James Lindsay, *America Unbound: The Bush Revolution in Foreign Policy* (Washington DC.: Brookings, 2003); and Francis Fukuyama, *America at the Crossroads: Democracy, Power and the Neoconservative Legacy* (New Haven: Yale University Press, 2007). There is no denying the importance of the group surrounding Richard Cheney and Richard Perle in the shaping of American policy in the period right after 9/11. The burden of the argument made here, however, is that their success came in large part because the key components of neoconservative foreign policy were already in place in the era of “neoliberalism” and, more specifically, in previous administrations. The real question is whether the period of neoconservative dominance, which evaporated very quickly when things began to go wrong with the occupation of Iraq, will have served to undermine the broader neoliberal project pursued by the United States and Great Britain. In an insightful essay, Charles Kupchan and Peter Trubowitz argue that older policies have been undermined by developments in domestic politics. See Kupchan and Trubowitz, “Dead Center: The Demise of Liberal Internationalism in the United States,” *International Security* XXXII, 2 (Fall 2007): 7-44. The case rests on a particular reading of domestic politics which, in my opinion, overstates the importance of bipartisanship in support of liberal internationalism in the past and underestimates the bipartisan character of support for neoliberalism and its more militarist variation more recently.

settled and largely consensual policy orientation that had gravitated increasingly toward force and that, with September 11, was pushed still further in that direction. Of course, the “Bush doctrine” was greeted and denounced as a major break, and it may well be that its massively incompetent implementation and its sorry aftereffects will result in a break from the past, from international norms and from allies that will not easily be reversed. Its formulation and adoption were nevertheless long in the making.

The shift to a more aggressive unilateralism was also made possible -- indeed it was premised upon -- another long-term development that was also labeled incorrectly as a revolution. This was the so-called “revolution in military affairs,” which had provided the United States with a vast technological lead in the tools and techniques of war-making. The potential for more intelligent weaponry, implicit in the Air-Land Doctrine of the 1980s and helped along by scientific and technical advances associated with the Strategic Defense Initiative (SDI), was demonstrated in the Gulf War. That experience convinced American policymakers to continue to build up and to rely upon more sophisticated weapons using advanced electronic controls and guidance systems. Continued technical progress made it possible for the United States to fight and win wars more quickly and cheaply, from a greater distance and with less risk than ever before, and therefore made the U.S. more likely to fight them. It thus rendered unnecessary, or obsolete, the post-Vietnam caution that had characterized the thinking of the American military. The new openness to the use of force was grasped as early as 1993 by Secretary of State Madeleine Albright, who during the Bosnian crisis asked of Colin Powell, “What’s the point of having this superb military that you’re always talking about if we can’t use it?” Similar conclusions would be reached by “neo-conservative” critics, who felt that the Clinton administration had failed to follow up on Albright’s insight. A second effect of the “revolution” was to make allies less useful, for most possible allies would have to fight with more backward equipment and the requirement to coordinate with such less well-equipped forces would in practice hamper U.S. tactics, slowing it down and in effect neutralizing the advantages bestowed upon it by the latest technology. Hence the strictly military incentive for recruiting allies was removed, leaving only the political need to legitimize U.S. intervention.

The partial exception to this was Britain, whose investment in military hardware and prior close collaboration with the U.S. military made the problem of “interoperability” between the two nation’s forces less severe than with other potential allies.⁸⁹ Indeed, the infrastructure of U.S./UK cooperation in matters of intelligence, military planning and foreign policy made it possible to coordinate the response to crisis in a way that was impossible with and between most other potential allies and this was no doubt an un-

⁸⁹Christopher Coker, “The Anglo-American Defense Partnership,” in Barry Rubin and Thomas Keaney, eds., *U.S. Allies in a Changing World* (London: Frank Cass, 2001), pp. 75-93, suggests that Britain is also falling behind the U.S. technologically, though less so than other European countries. The term used to describe the ability of the two defense establishments to work together is “interoperability.” Geoffrey Hoon, the former Defence Minister, is reported to have said that, as Jeffrey McCausland reports, “the first principle of British defense planning was to be interoperable with the U.S. forces.” See McCausland, “When You Come to a Fork in the Road, Take It..... Defence Policy and the Special Relationship,” paper presented to the APSA, Chicago, IL, August 2007.

derlying factor that made the “special relationship” of genuine practical utility. Military compatibility was by no means the only reason why Britain supported the U.S. in its newly aggressive posture, of course. On the contrary, ready cooperation in war was but a reflection of the broader convergence between the U.S. and UK on issues of foreign relations, defense and economic policy that had evolved over nearly a quarter century and that was by 2001 anchored in, or at least reinforced by, comparable political economies. It had been confirmed by repeated excursions in the making and maintenance of world order in which Britain and the United States found themselves more or less on the same side, arguing for much the same policy despite occasional differences, and often more or less alone in doing so. George Bush might have frightened those of a more internationalist persuasion with his open skepticism towards multilateral agreements and institutions, but it was after all Tony Blair who in his Chicago speech of 1999 had insisted that the United Nations required fundamental restructuring before it could be truly useful; and it was British exhortation that had convinced Clinton to commit U.S. troops to Kosovo. Thus the reaction in the UK to Bush’s unilateralist pronouncements in early 2001 was muted, if not exactly sympathetic, and British support for the U.S. in the aftermath of 9/11 immediate and nearly spontaneous.

The invasions of Afghanistan and then Iraq complicated, then compromised and challenged, not only the “special relationship,” but the role of the U.S. and its British ally as arbiters of global order. The toppling of the Taliban was widely applauded when it happened, but the military campaign that preceded it was genuinely controversial outside the United States. The decision to use force was widely considered precipitous and dangerous; and the determination of the U.S. and UK to proceed began to erode wider diplomatic support. The assertion, not long after, of the right of the United States to engage in preemptive action against potential enemies, elicited still further and more vocal criticism.⁹⁰ The choice to move on to a confrontation with Iraq provoked truly massive opposition in Europe and the Arab world. In Britain Blair just barely prevailed in his effort to win Parliamentary approval for the venture. When the rationale for war collapsed with the inability to find “weapons of mass destruction” and when the failure of reconstruction and the tenacity of the insurgency stripped away the argument from success, support for the U.S. action and, in Britain, for continued close cooperation between the U.S. and the UK, began to dissipate. “Democracy promotion,” the least self-interested and most attractive principle in the new paradigm, has likewise begun to seem more and more a fantasy and, as such, less and less compelling as a defense of policy.⁹¹

To date, therefore, the consequences of the turn to force in American and British relations with the world have been extremely negative. The invasion of Iraq toppled Saddam Hussein but engendered an insurgency and a civil war that have made violence and instability the norm in that country for the foreseeable future. The conflict has also multiplied the provocations to Islamist militancy and *jihadist* terror there and elsewhere. The Bush administration’s brief attachment to democracy promotion and nation-building has become an embarrassment for those who supported the idea and a nightmare for those charged with carrying it out. The Iraq venture has also served effectively

⁹⁰*The National Security Strategy of the United States of America* (September, 2002).

⁹¹This is true even as critics and commentators have come to credit the sincerity of the vision. See, for example, Will Hutton, “Why the US exports its ideals,” *Observer*, January 24, 2006.

to discredit policies of liberal internationalism and arguments for humanitarian intervention. The prospects for peace in the Middle East, never very good, have receded even farther and the recent flurry of diplomatic activity is unlikely to bring them forward. Failure on the ground on Iraq, and persistent difficulties in Afghanistan, have also isolated the United States and the UK from traditional allies and deprived Anglo-American visions and proposals of essential legitimacy.

What, then, remains of the formula with which Britain and American hoped to reshape the world over the past quarter century? Here the evidence is frankly contradictory.⁹² The U.S. and the UK have surely relearned the lessons of Vietnam and similar struggles: it is hard to impose democracy and invaders will be resisted, whatever their intentions and however odious the regime they topple. Policymakers and voters have clearly begun to absorb this lesson and to move in the direction of what the foreign policy community regards as "realism."⁹³ The result will be a shift in U.S./UK strategy away from military intervention and back towards efforts at engagement and multilateral diplomacy. Britain and the United States will also, it seems likely, continue to push for open markets and expanding trade. To this extent the paradigm guiding the Anglo-American alliance since the 1980s will be reasserted.

But what, after Iraq and so much else, are the prospects of it being effective? If it is true that 9/11 did not change everything, as many Americans at first thought, it is also the case that the world is rather different than it was in the immediate aftermath of the Cold War or at the turn of the millennium and that the landscape of international relations and the shape of the global economy have been much altered. Especially important has been the faltering in the process of globalization. The "battle of Seattle" at the WTO meeting in 1999 has been much celebrated and its significance typically exaggerated, but it did indicate that the heroic phase of opening the world to freer trade was ending and that the next steps would be harder and that domestic support for taking these steps, both in the advanced countries and in the emerging economies, would be difficult to maintain. Less than ten days after the destruction of the World Trade Center, U.S. Trade Representative Robert Zoellick called for a strategy of "countering terror with trade": "the terrorists," he explained, "deliberately chose the World Trade towers as their target. While their blow toppled the towers, it cannot and will not shake the foundation of world trade and freedom."⁹⁴ That optimism seems in retrospect rather mistaken, for the environment in which international economic negotiations take place has in fact been

⁹²The debate about what should be done after Bush has been occurring for some time, but it will intensify with a raft of publications scheduled to appear in 2008, among them Melvyn Leffler and Jeffrey Legro, eds., *To Lead the World: American Strategy after the Bush Doctrine* (New York: Oxford University Press); Robert Silvers, ed., *The Consequences to Come: American Power after Bush* (New York: New York Review of Books); Timothy Lynch and Robert Singh, *After Bush: The Case for Continuity* (Cambridge: Cambridge University Press); and Jeffrey Anderson, G. John Ikenberry and Thomas Risse, eds., *The End of the West? Crisis and Change in the Atlantic Order* (Ithaca NY: Cornell University Press). See also Fareed Zakaria, "The Future of American Power: How America Can Survive the Rise of the Rest": 18-43, and Richard Haas, "The Age of Nonpolarity: What Will Follow U.S. Dominance": 44-56, in *Foreign Affairs* (May/June, 2008).

⁹³Lawrence Freedman, "The Transatlantic Agenda: Vision and Counter-Vision," *Survival* XLVII, 4 (Winter 2005-2006): 19-38.

⁹⁴Robert Zoellick, "Countering Terror with Trade," *Washington Post*, September 20, 2001.

transformed, not only by hesitation about the costs and benefits of globalization but because the strength of the parties involved has changed. The U.S., and the west more generally, have lost the ability to dictate the terms of a more open world economy. Future bargains will inevitably reflect shifts in economic clout, and initiatives aimed at opening up trade will most likely be delayed until all sides have taken the full measure of the new balance. Equally important, if the broadening of markets was the precondition for engagement with international institutions and for the emergence of civil society, then the logic of the paradigm guiding U.S./UK policy implies a retreat from that agenda and hence, for good or ill, a period of stasis in efforts to export or impose democracy and to promote human rights.

The other big and perhaps lasting consequence of the Iraq war has been the parallel loss of legitimacy abroad and of domestic support for foreign ventures in both the U.S. and the UK. Not only is Anglo-American power no longer so intimidating, but the arguments of British and American leaders are not at all as compelling or attractive as they were a decade ago. The political will to sustain the Anglo-American position in the world may also just not be there. There is certainly far less support for the “special relationship” in Britain now than in the past and American public opinion has turned decisively against the war in Iraq.⁹⁵ There is also obvious concern within the U.S. military about its ability successfully to carry out extensive and prolonged operations like those in Afghanistan and Iraq. Criticism from military leaders is inevitably muted, but not entirely absent, in Britain especially, but the adventurism characteristic of Bush and Blair is clearly incompatible with maintaining the fighting efficiency, the morale, the prestige and public support that the armed forces crave and believe they must have.⁹⁶ Institutional self-interest alone therefore dictates caution and reinforces public opinion.

On balance, then, it is quite possible that whatever U.S. and U.K. policymakers choose to do, they will not be capable of making it happen. The net effect of the changes in politics, in the world economy and in international relations that have occurred since and largely despite 9/11 – and while attention has been focused on that cataclysmic event and the immediate responses to it – may well be that the Anglo-American project for creating, by force if necessary, an open and largely peaceful world of market-based democracies no longer makes practical or theoretical sense, if it ever did. What hopes and visions will take its place truly cannot be envisioned at this point in time. Perhaps the best argument for a continuation, and for the continued effectiveness, of the Anglo-American vision is the absence thus far of a competing alternative. Still, so little of what has happened since the 1980s in the sphere of international affairs was predicted that it would be foolish to rule out further dramatic shifts or to assume that no alternative vision is possible.

⁹⁵It is surely notable that for the first several months after Gordon Brown took over from Tony Blair, British diplomats were encouraged not to use the term “the special relationship.” (See “Special Relationship dies under Gordon Brown,” *Daily Telegraph*, March 18 2008.) The term was revived somewhat during Brown’s trip to the U.S. in late April 2008 and used quite promiscuously in meetings between Bush and Brown. In his Kennedy Memorial Lecture in Boston on April 18, 2008, however, Brown used the term sparingly and articulated a vision that was considerably broader.

⁹⁶See, for example, Paul Rogers, “Britain’s defense: all at sea,” *Open Democracy*, December 6, 2007.