# ROOTS OF THE

PAX

AMERICANA

Decolonization, development, democratization and trade

P. ERIC LOUW

Roots of the Pax Americana

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Acknowledgements

List of abbreviations

America	United States of America
APEC	Asia Pacific Economic Cooperation
EEC	European Economic Community
EU	European Union
GATT	General Agreement on Tariffs and Trade
IMF	International Monetary Fund
NATO	North Atlantic Treaty Organization
NGO	non government organization
OAU	Organisation of African Unity
OECD	Organization for Economic Cooperation and Development
OWI	Office of War Information (US)
UN	United Nations
WTO	World Trade Organization

Canada

Great Britain

India

South Africa

Australia

New Zealand

H

I

Formal empire

■ Formal empire at the time
of the Ottowa Conference

▨ Informal Empire

Formal empire

1   Bermuda
2   Bahamas
3   Honduras
4   Jamaica
5   Dominica
6   Barbados
7   St Vincent
8   Trinidad
9   Guiana
10 Falkland

11 Tristan da Cunha
12 St Helena
13 Ascension
14 Gambia
15 Sierra Leone
16 Gold Coast
17 Nigeria
18 Sout West Africa
19 Lesotho
20 Swaziland

21 Bechuanaland
22 Southern Rhodesia
23 Northern Rhodesia
24 Nyasaland
25 Tanganyika
26 Zanzibar
27 Kenya
28 Uganda
29 Sudan
30 Malta

31 Palestine
32 Cyprus
33 Jordan
34 Aden
35 Somaliland
36 Socotra
37 Seychelles
38 Mauritius
39 Maldives
40 Ceylon

41 Burma
42 Malaya
43 Sarawak
44 Brunei
45 North Borneo
46 Cocos Is.
47 Christmas Is.
48 New Guinea
49 Papua
50 Solomon Is.

51 New Hebrides
52 Fiji
53 Samoa
54 Tonga
55 Cook Is.
56 Ellice Is.
57 Gilbert Is.
58 Pitcairn Is.

Informal empire

A   Argentina
B   Uruguay
C   Egypt
D   Iraq
E   Kuwait
F   Qatar
G   Oman
H   China (Shanghai)
I   Canton (Hong Kong)

Map 1   British empire, 1932

Map 2 The world, 1932

Europe   China   USA   USA

■ European, Soviet and Japanese formal empire

▨ Informal Empire

Spread of American colonization
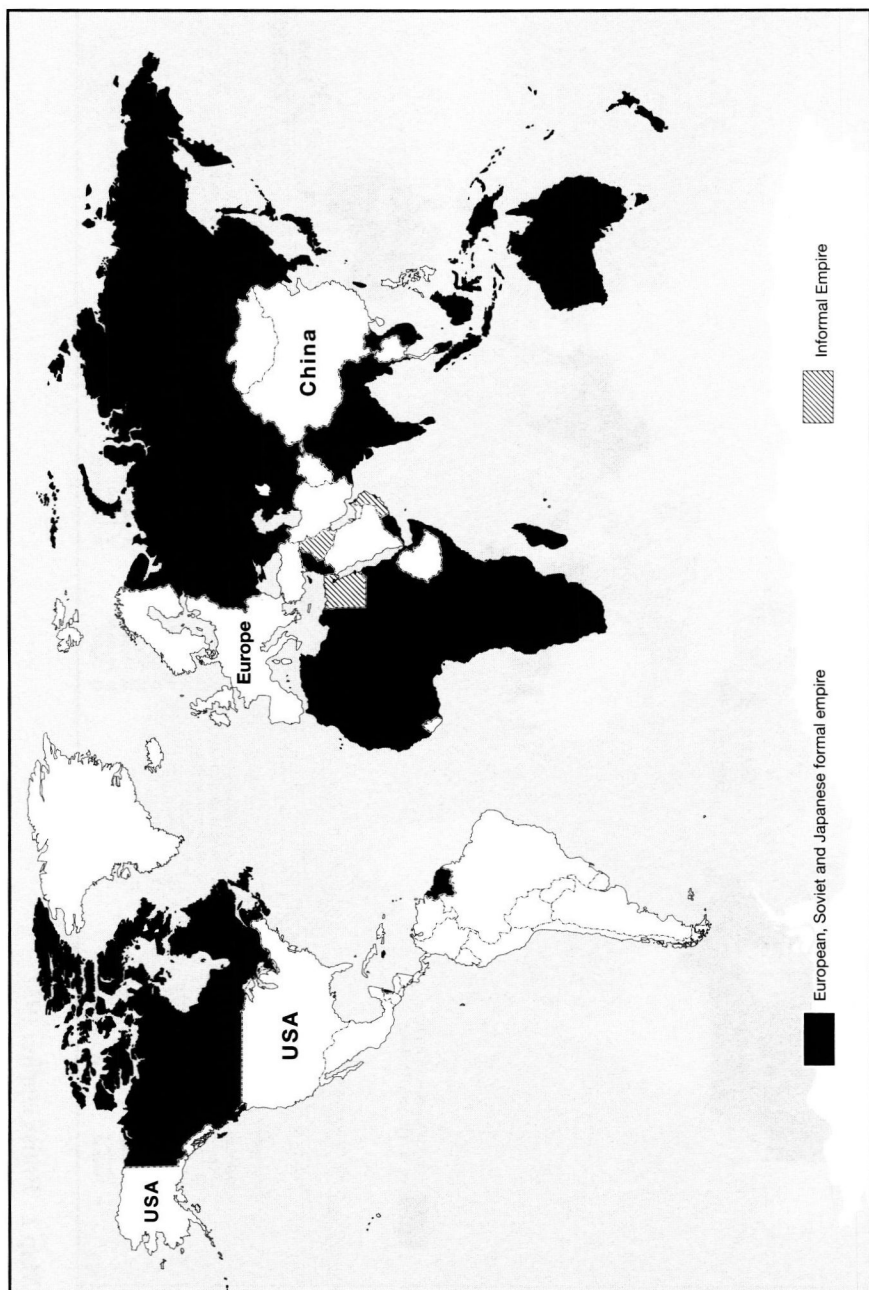
	1	Original 13 colonies		**3**	1804 - 21		**5**	1862 - 96
	2	1783 - 1803		**4**	1822 - 61		**6**	1897 - 1912
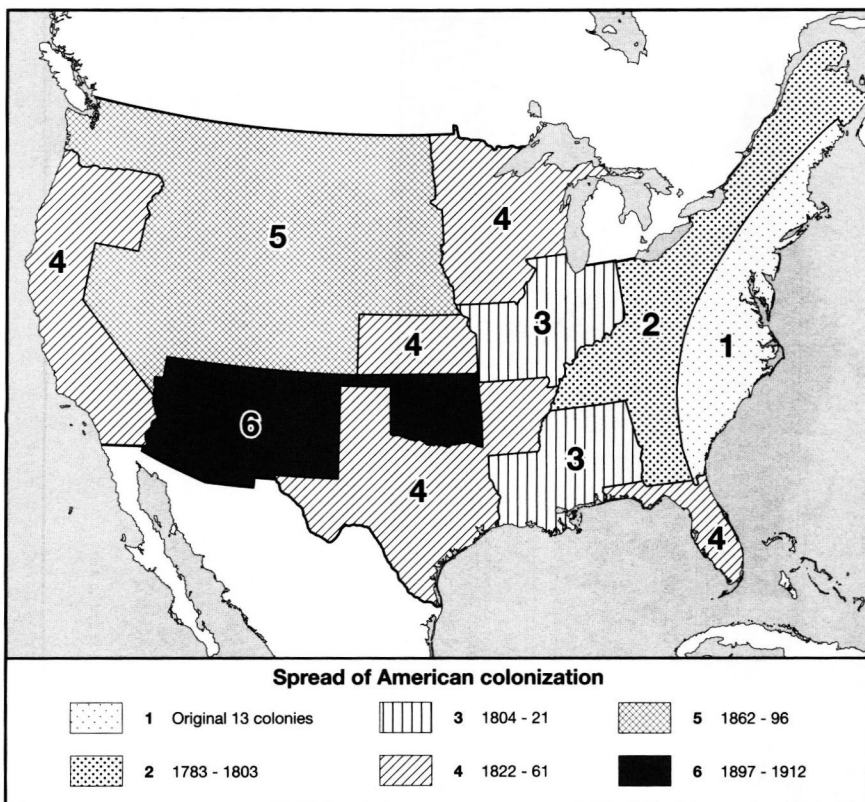
Map 3 America's first empire

Map 4 Cold War world, 1957

Communist bloc

America and its allies

✳ Cold War conflicts 1950 - 90
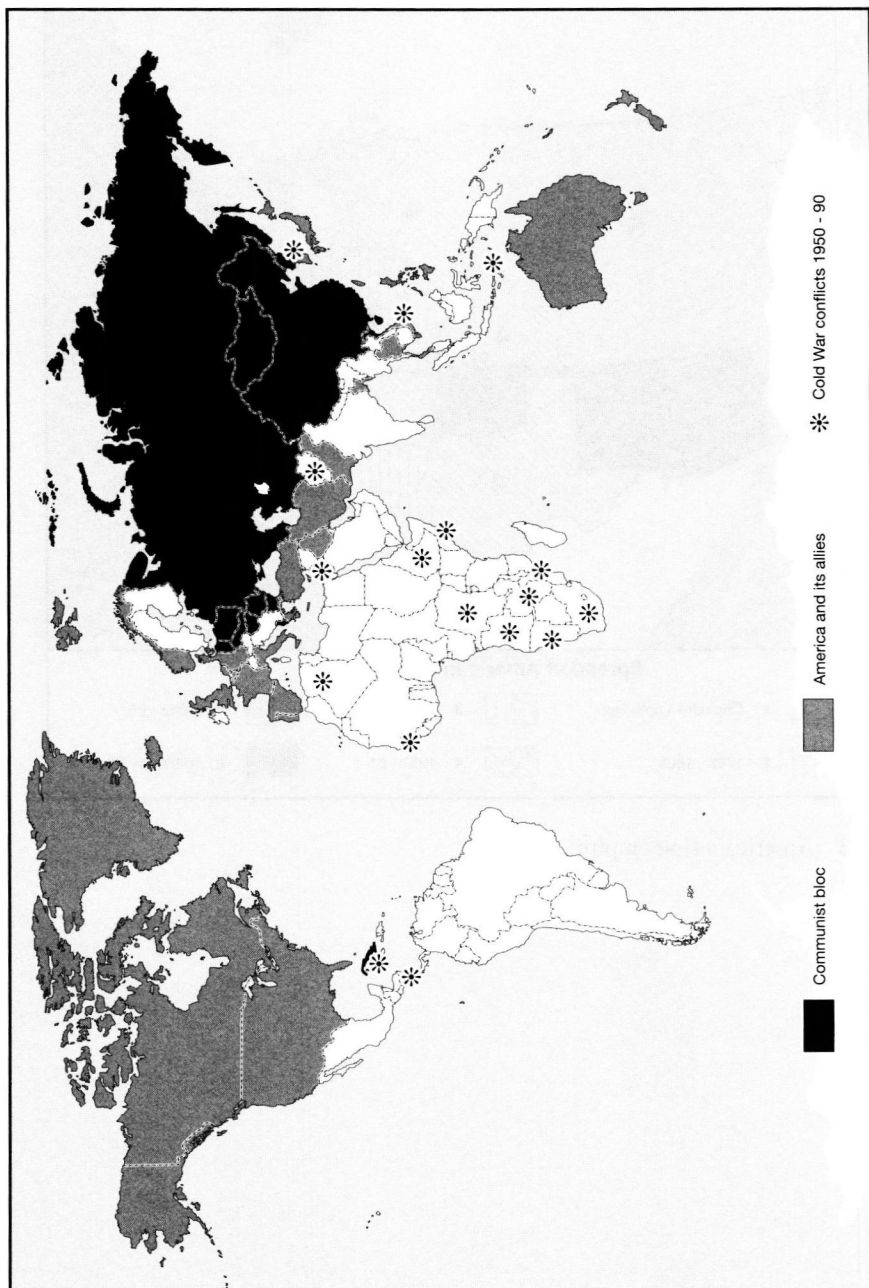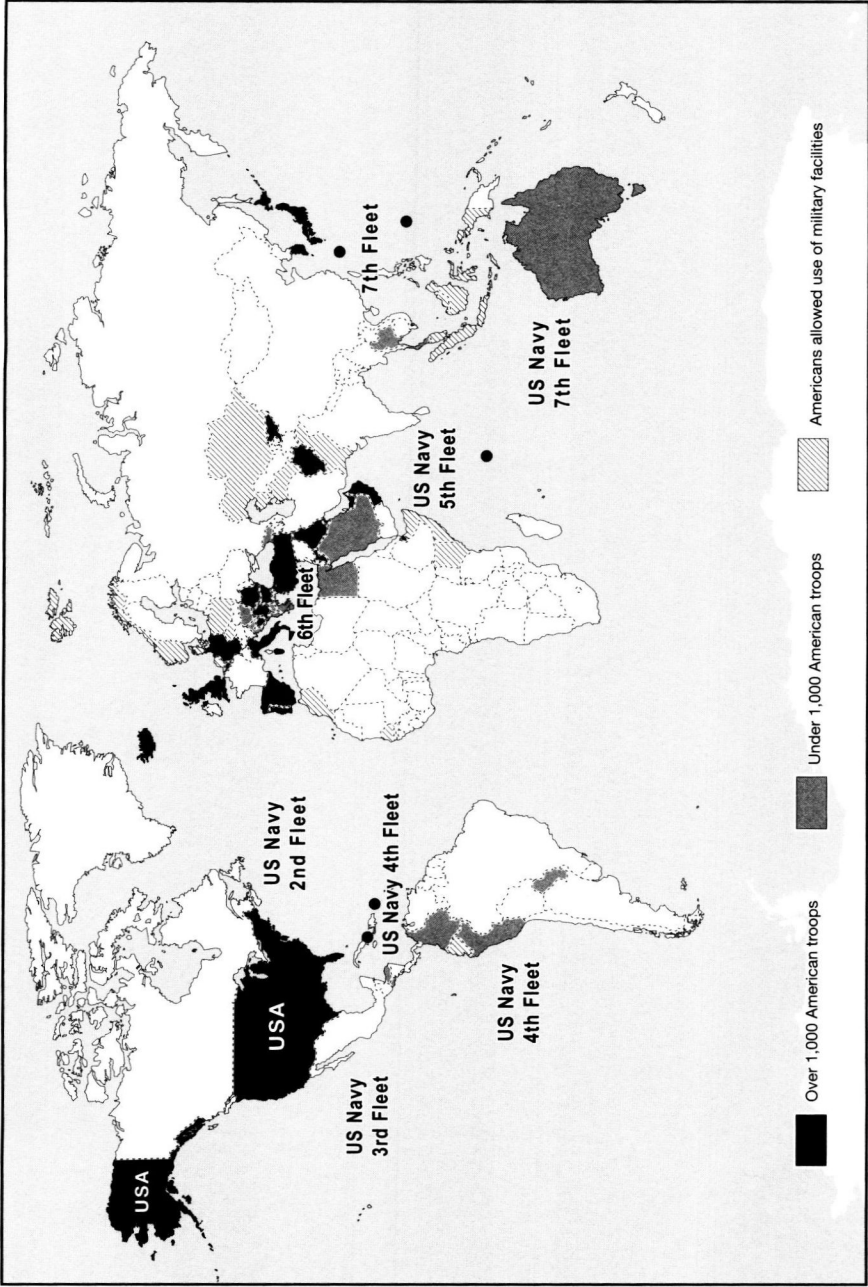
Map 5 Pax Americana military deployments, 2009

Legend:
- Over 1,000 American troops
- Under 1,000 American troops
- Americans allowed use of military facilities

Map labels:
- US Navy 2nd Fleet
- US Navy 3rd Fleet
- US Navy 4th Fleet
- US Navy 4th Fleet
- US Navy 5th Fleet
- US Navy 6th Fleet
- US Navy 7th Fleet
- USA
- 7th Fleet

Contents

List of maps and tables

Maps

Tables

1

What is the Pax Americana?

Modern American 'imperialism' is not like old British imperialism. It is much, much bigger. Britain once had an empire. America now has a superempire. (Porter, *Empire and Superempire*)

Informal empire [is] often based upon the intermediation of technically independent governments ... Each local society creates a collaborator class out of its own culture ... [with] the nature of the collaboration ... based on quite different forms of imitation, roleplaying, and ... interlocking ranges of transaction. (Winks 'On Decolonization and Informal Empire')

By the end of the twentieth century America was securely in control of an informal empire that reached across the globe, and there seems little doubt that the twenty-first century will be dominated by America. America's empire is noteworthy, firstly, because it is the largest empire in history, and, secondly, because of the way it is run as an 'informal'[1] or 'nonterritorial' empire.[2] Precisely because it is an informal empire many Americans believe they do not run an empire, and even believe themselves to be 'anti-imperialist'. The reality is, no one on the planet is untouched by the decisions made by America's rulers and that America's 'informal empire' is just as imperialist as was Britain's 'formal empire'. Because of its global reach and power the Pax Americana is clearly a phenomenon that warrants examination and debate.

There are many ways one could approach a study of America's empire. The *Roots of the Pax Americana* will examine this phenomenon by asking how and why Americans constructed the sort of (informal) empire they did. Understanding this empire's origins is important, because today's American empire functions as it does due to the way it was built in the past. Since the past gets encoded into the present, understanding the past can help us understand our contemporary world. Hence, this book aims to sketch out the origins of America's empire with a view to throwing light on the following sorts of questions. What is the Pax Americana? How and why did it come into being? How does America build, maintain and reproduce its empire? How and why did the Pax Americana replace the Pax Britannica? How have

Americans and non-Americans viewed this empire and its growth? Is the Pax Americana a valuable instrument of global governance or not? How does the Pax Americana rate when compared to the Pax Britannica?

So this is a book about empire-building of a particular sort – at heart it tells the story of the post-1945 informal empire that Americans built (and are still building). But in order to tell this story, some time must also be spent examining earlier forms of empire-building. Hence, the role played by the British empire in the emergence of the Pax Americana will be discussed, as will be America's pre-1945 imperial ventures. To these pre-1945 ventures we now turn.

Americans as empire-builders

America's post-1945 informal empire was by no means America's first venture in empire building. Americans have built three distinctly different empires over the past two centuries.

America's first empire involved the conquest and colonization of North America between 1783 and 1900, as shown in map 3. After Anglo settlers in the thirteen colonies had won their independence from Britain and established the United States of America, these settlers began moving America's frontier westward through an extraordinarily successful colonial exercise of conquest and colonization. The imperial project of expanding America until it reached the Pacific was explicitly called for by one of America's founding fathers, Thomas Jefferson. Jefferson's project of building an 'empire of liberty' was no less imperialist than building Britain's empire, or the Russian, French or Japanese empires. In fact, America's first empire, based upon waves of settlers moving westward, looked much like the other nineteenth-century Caucasian colonial projects in Canada, Australia, New Zealand, South Africa, Argentina and Siberia. Building this first American empire represented an enormous expansion of the Anglo (and European) world. From this American colonial expansion emerged the current coast-to-coast American Union, which provided Americans with a resource-rich territorial base from which to launch their second (formal) and third (informal) empires.

America ran a second 'formal' empire from 1898 until World War II. It began when America acquired new territory by winning the 1898 Spanish–American War. Significantly, when the Philippines, Guam, Samoa and Puerto Rico were acquired (in 1898/99) they were not incorporated into the American Union, but instead were organized as overseas imperial possessions. So, for example, American governance of the Philippines from 1898 to 1941 looked much like the sort of colonial rule deployed by Britain, France and the Netherlands in other parts of Southeast Asia.

America's third empire was launched after World War II, in 1945 as an informal empire. It is this third empire, or Pax Americana, that is the real concern of this book. Within this informal empire, independent states are enmeshed as clients into an American trading network. Consequently, no territory is annexed for incorporation into the American Union; neither are territories organized as (formal) overseas possessions. Instead, America works to build middle-class comprador-partners in independent states. These partner allies are relied upon to run their states in accordance with the needs of America's trading empire. Central to running such an informal empire is thus clientship and/or compradorship, with America using mostly 'soft power' to build comprador compliance. In addition, the Pax Americana has constructed a complex system of multilateral regulations that constitutes the global governance structure for this informal trading empire. The whole edifice rests upon America having more military power at its disposal than any other nation in history. The potential of American military violence is an omnipresent reality across the entire globe.

This third American empire was a consequence of the United States emerging as the chief victor of World War II – a war which expanded American economic and military infrastructures and which eliminated Germany, Japan and Britain as rivals. Germany and Japan were occupied; their cities destroyed by bombing; their territorial holdings dramatically stripped back; and their ruling elites decimated. Britain emerged from the war seriously weakened because, firstly, it was economically beholden to America; and, secondly, its empire was destabilized by growing calls for decolonization. In 1945 America was the only nation able to project its will globally. Washington was supremely powerful because it possessed large armies of occupation in Europe and east Asia (which have never been withdrawn); nuclear-warfare capabilities; and the world's largest industrial economy. The only alternative power centre to America was the Soviet Union, which occupied the East European power vacuum created by Germany's defeat. But in the face of America's nuclear capability, the Soviets were in reality a second-tier power.

America's third empire emerged as a consequence of World War II and the planning the American government engaged in during this war to conceptualize a post-war settlement. A 'new world order' was effectively designed by a US State Department team headed by Cordell Hull and Sumner Welles. These 1940s State Department planners were Wilsonians – drawing their inspiration from Woodrow Wilson's ideals. This planning process will be discussed in chapter 5. In 1945 America began imposing this new world order. The result was a globalized 'American Peace', emerging from the victory of liberal internationalists.[3] The resultant Wilsonian 'humanitarian imperialism' had four key features.

Firstly, it was grounded in an American belief that American-style democracy and liberalism should be universalized. Americans came to believe they had a duty (right?) to carry their vision of 'liberty' to the world. This will be discussed in chapter 3.

Secondly, empires were to be destroyed and replaced by independent states. This decolonization process was grounded in both Wilsonian idealism and American pragmatism. Pragmatically, it was difficult to build an American trading empire when facing competition from powerful states and/or empires. Replacing empires with small states facilitated building America's 'informal empire', because it was easier to incorporate weak states into an American trading empire on terms that suited Americans.

Thirdly, as many states as possible were to be meshed into America's trading network, or 'US corporations empire'.[4]

Fourth, American hegemony is precisely not based upon annexing territory. Instead, America's third (informal) empire has been grounded in economic, military and 'soft' power. America established (and dominates) a complex multilateral system, governed by a set of rules that 'regulates' international financial, trade and political relations. The resultant system (Pax Americana) manages a global 'peace' and economic relationships beneficial to American interests. Multilateral institutions became crucial for exerting American authority because they bind everyone else into an American-run world order.[5]

The result has been not only the construction of America's third empire, but also the construction of a new kind of international order, the Pax Americana.

An American-made new world order

Since 1945 Americans have reconfigured global political and trade relations as they built their third empire. A core feature of this reconfiguration was the massive twentieth-century power shift from British to American dominance of the world. This power shift was characterized by the deconstruction of Britain's 'formal' ('territorial') empire and its replacement by America's 'informal' ('nonterritorial') empire. This global power shift, which will be examined in chapters 2, 4 and 7, was a curious affair because it occurred without Britain and America going to war and, secondly, it involved a sort of 'familial' transfer of power, in which a parent nation (Britain) handed over global hegemony to its former off-spring (America). Significantly, this power transfer generated a new global hegemonic order that actually reproduced many continuities between Britain's global hegemony (globalization I) and America's (globalization II). Hence, on the one hand, the rise of a Pax Americana merely entrenched ongoing Anglo cultural domination of the