

Book Reviews

Quinn Slobodian, ***Globalists: The End of Empire and the Birth of Neoliberalism***. Cambridge MA: Harvard University Press, 2018. Pp. 400. €31.50. ISBN: 9780674979529.

In 1999, when the influential protests against the world trading system, the World Trade Organization (WTO) and neo-liberalism were organized in Seattle, Quinn Slobodian was a young college student in Portland, Oregon, majoring in history at Lewis and Clark College. With Portland not too far away from Seattle, he could have attended the protests but did not; the Canadian historian's recent book *Globalists* is meant to make up for that particular omission, and, indeed, it more than compensates for his absence from Seattle.

Globalists is a strong account of the intellectual history of what Slobodian, now a history professor at Wellesley College, refers to as the 'Geneva School', a particular strand of political philosophy revolving around individuals affiliated at some point or another with Geneva's Graduate Institute of International and Development Studies, as it is known today. His study has the particular distinction – rare among historians and, especially, social scientists addressing international affairs¹ – that it takes the role of law and legal thinkers seriously. While the key figures in Slobodian's story are political theorists and economists such as Friedrich von Hayek, Wilhelm Röpke, Gottfried Haberler and Ludwig von Mises, he also presents an impressive supporting cast of lawyers, including Ernst-Joachim Mestmäcker, Hans von der Groeben and Ernst-Ulrich Petersmann. And that is no coincidence, for the main intellectual argument uniting these neo-liberals was an unfettered belief in the usefulness of liberal markets (which is no cause for surprise) and in the pivotal role played by law and legal institutions in guaranteeing the liberal market (which may have been less predictable) – Slobodian speaks of 'ordoglobalism'. Ordo-globalism owed a lot to Carl Schmitt's distinction between *dominium* and *imperium* (roughly meaning authority over property and authority over human beings, respectively) and the belief that markets should be left to do their job. Markets are best seen as repositories of information, with the market price telling consumers and producers a lot. According to the Geneva School, this was not best guaranteed by extreme market freedoms and deregulation (as others had held) but, rather, by legal rules and mechanisms, themselves repositories of information: the freedom to own property and the freedom to contract that was needed to be guaranteed by law. In particular, these freedoms had to be protected against democratic impulses: the masses could vote for measures intended to have distributive effects, therewith interfering with the working of markets as almost cybernetic systems (Ludwig von Bertalanffy, the *eminence grise* of cybernetics, makes a cameo appearance as well). The best possible way to leave things to the markets then would be to globalize and get rid of national boundaries and polities altogether (or at least resort to multilevel governance). This, however, raises questions about how markets could be protected by law and legal institutions across boundaries and about the redistributive demands

¹ Some recent historical work displays at least a sensitivity to the relevance of law, even if this is not always taken very far. This applies, e.g., to M. Mazower, *Governing the World* (2012); S. Pedersen, *The Guardians* (2015). Among scholars of international relations, proper attention for the role and relevance of law is by and large limited to writings in the constructivist tradition. See, e.g., F. Kratochwil, *Praxis: On Acting and Knowing* (2018).

of the global South in such bodies as the United Nations General Assembly and through projects such as the New International Economic Order.

In this respect, the European Economic Community (EEC; now the European Union [EU]) proved a useful laboratory, built as it was from the start around the protection of freedom of movable production factors (capital and labour) and freedom of movement of the commodities being produced, whether goods or services. One of the key factors in the European project was to also ensure that companies would not grow big and powerful enough to disrupt the market, so Europe's competition rules took pride of place, enthusiastically theorized by ordo-globalist Mestmäcker, special adviser to the EEC's competition policy authorities during the formative years of the EEC (1960–1970), and, in all likelihood, by von der Groeben, architect of the classic EEC Regulation 17, which set the tone for the EU's competition policies and enforcement. Roughly the same ordo-globalist model could then be transplanted to the global level, by the mid-1990s, in the form of the WTO, even though, in this case, purity would be much harder to achieve – it is easier to arrange things between a few handfuls of fairly homogenous states than between well over a hundred with diverse starting points and interests.

With the benefit of hindsight, perhaps, 'Seattle' marked a decisive moment: the elitist and not terribly democratically minded neo-liberal project came under fire from a variety of angles. It is clear by now that the project has crumbled: the WTO still exists in name but has been moribund for quite some time; erstwhile champions of free trade, such as the USA, have by and large turned their backs on the organization; regional arrangements and so-called mega-regionals are circumventing WTO disciplines and its Appellate Body, guaranteeing the primacy of law and, thus, the jewel in the crown, is highly dysfunctional at present. For a while though, even after 'Seattle', it seemed that the ordo-globalists had managed to stem the tide: Petersmann, in particular, had creatively managed to answer critics of the WTO's lack of legitimacy by suggesting that the WTO, by upholding rights to property and contract, was actually the champion of human rights globally and, thus, legitimate *par excellence*. The drawback, quite obviously, was that the original distribution of property was never questioned, and neither were the ways in which the global commons were exploited to form or serve private property.

With *Globalists*, Slobodian has written an excellent intellectual history of the rise of neo-liberalism in its ordo-global guise. He traces and discusses the writings of Hayek, Petersmann and others with great care and analyses them with respect, even if it is more than clear that his own political agenda has other priorities. In addition, he persuasively traces the birth of the ordo-global movement to the 1920s and 1930s instead of, as is so often assumed, to the meetings at Mont Pèlerin starting in the latter half of the 1940s. Most attractive, as far as this reader is concerned, is that Slobodian takes seriously the role of law and the input of lawyers. While many observers would agree in the abstract that society is all but impossible (in whatever form) without legal structures, it is decidedly rare to see non-lawyers treat the law so seriously and respectfully, and he should be forgiven the few inaccuracies that, inevitably perhaps, have crept in.²

Like any good study, this one too raises as many questions as it answers, and two of these stand out. First, and most important perhaps, it never quite becomes clear what inspired the ordo-globalists. Clearly, theirs was not a redistributive project, aiming to bring justice to the poor and dispossessed, and Slobodian suggests strongly that Röpke, in particular (but unlike Hayek and

² For example, it is not very precise to suggest that within the United Nations (UN), the UN Security Council exercises veto power over the UN General Assembly (at 126), and there was no International Criminal Court in the Hague in the 1950s (at 149). When Slobodian speaks of Hans von der Groeben taking up a position at the European Commission for Competition (at 206), he also sounds a little confused: von der Groeben was the member of the European Economic Community's (EEC) Commission responsible for competition during the first decade of the EEC's existence.

some of the others), had a notable racist streak, especially visible in his endorsement of South Africa's apartheid system. While ordo-globalist writings followed major economic and political upheavals (a first wave after the depression of the 1920s and 1930s, a second after decolonization), they were not specifically meant as ways to come to terms with these particular upheavals or as a targeted response against the policies they espoused. In the ordo-globalist view, the problem with the emergence of the global South and the proclaimed New International Economic Order was not that it would be biased or politicized (not *per se*) but, rather, that it would threaten the sanctity of the market. And that raises the question: why was the market reified and deified by the ordo-globalists? Slobodian suggests an almost religious belief in the market on the part of the ordo-globalists, repeatedly depicting the market (in their view) as being 'sublime' and perhaps that is accurate enough. Perhaps the ordo-globalists were so smitten by the miracles of order and efficiency that they had developed a quasi-religious devotion, but somehow this strikes as too easy and unlikely to have inspired them throughout their lives. After all, these were highly intelligent people who, at some point, must have been consumed with doubt if all they had was faith in the sublime nature of the market. And this is also where the religious comparison stops: it is one thing to have a strong and unwavering faith in a deity, but, surely, with markets being human creations that require protection by law,³ one's faith would be expected to come under pressure at some point. So the question remains: what drove the ordo-globalists? It is a rare politician who enters politics, whether formally or as an academic, without some idea of the good life, and somehow Slobodian's hesitant attempt to explain decades of work by reference to quasi-religious devotion would, at the very least, need further demonstration (Hayek was in his nineties when he passed away, as were some of the other protagonists, and he had hardly slowed down). At some point, Slobodian refers to global economic integration as representing 'simultaneously an ideological goal and a childhood idyll' (at 187), and, while that seems plausible enough, it still leaves unanswered what kind of ideological goal this was and to whose benefit.

Second, what would also be interesting to devote further attention to (and may assist on the previous point) are the connections between ordo-globalism and Christian-democratic political doctrine, which is often considered to attempt to combine market freedoms with a degree of social justice. It is well known, if little explored, that the founding members of the EEC at the time were predominantly governed by Christian democrats of one sort or another, and even where governments were not run by Christian democrats (as in the Dutch setting under the social-democrat Willem Drees), Christian-democratic politics exercised considerable authority. This was probably considerably less true of the WTO (and considerably less relevant in that context), but with respect to the EEC, the influence of Christian democrats during the formative years is striking. And that raises the obvious question: did the Christian democrats adopt ordo-globalist insights and, if so, why? Or did it rather work the other way around, and did ordo-globalism incorporate aspects of Christian-democratic doctrine?

Be that as it may, Slobodian has written an elegant, informed, respectful and highly readable account of an influential strand of political thought. The great Michael Oakshott once quipped that he did not buy into Hayek's seemingly total dismissal of the planned economy: a plan not to have a plan, so Oakshott noted, was still a plan.⁴ It is much to Slobodian's credit that he has made the contours and conditions of the plan of Hayek and others so lucidly visible.

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³ See E. MacGilvray, *The Invention of Market Freedom* (2011); A. Hirschman, *The Passions and the Interests* (2013 [1977]).

⁴ Oakshott wrote that a 'plan to resist all planning may be better than its opposite, but it belongs to the same style of politics.' Oakshott, 'Rationalism in Politics', in M. Oakshott, *Rationalism in Politics and Other Essays* (1962) 1, at 21.