



## Book Forum

### *The Economic Weapon: The Rise of Sanctions as a Tool of Modern War*

Nicholas Mulder

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## Introduction by Christopher Schaefer (University of Cambridge)

In the long and arduous journey from doctoral research to PhD dissertation in History to first book, it is virtually impossible to time the book's final publication to correspond with events in the broader world. When it does, it seems a miracle or, at the very least, a fortuitous coincidence. Nicholas Mulder's *The Economic Weapon: The Rise of Sanctions as a Tool of Modern War* is one of the few books whose publication could scarcely have been better timed. The economic sanctions that have been placed on Russia in the past few weeks following its invasion of Ukraine last month are unprecedented in scope—the most restrictive ones ever placed on a major economic power. Naturally, we are curious. What will be the effects on Russia? The rest of the world? On us? Most importantly, will the sanctions work? Will Russia's aggression in Ukraine be deterred?

Mulder may not have all the answers, but he is well-placed to provide important historical context for our current moment. It's unsurprising that the book [has already been widely reviewed](#) or even that [The Economist has invited Mulder to comment on this “watershed moment in global economic history” within its pages](#). While it may be fortuitous for the broader conversation, Mulder's historical contribution should also give us pause. The broader situation should certainly provoke horror. We should not lose sight of the fact that there is an immense human cost to war. Whether sanctions are meant as an instrument of war itself or as a deterrent to war, they also have their own human cost. Sometimes intentional, sometimes not. *The Economic Weapon* tells the story of their development, their intended and unintended consequences.

In this *Tocqueville 21* book forum, four historians of 20th century political, economic, and legal internationalism take stock of this thesis about the early history of economic sanctions. Unanimously, they find it a masterful contribution. For Benjamin Coates, it is a “sorely needed...historical intervention.” Liane Hewitt hails it as a “terrific tour-de-force.” Jamie Martin finds it “an important contribution to the international history of the first half of the twentieth century.” Glenda Sluga ranks it among the best “new critical histories ... of the 20<sup>th</sup> century international order.” Although their analyses overlap at times, each provides a useful and informative perspective on Mulder's book. They compliment Mulder on his dexterity in situating sanctions within not just the realm of international relations but also the economic history of the early twentieth century, but they also press him on certain omissions in the book. In a gracious response, Mulder highlights the most astute observations in each review and then responds to the different critiques.

As we continue our effort to understand the later American adoption of the economic weapon, particularly in the current conjuncture, we cannot go amiss in seeking to better understand the earlier, interwar history of sanctions. *The Economic Weapon* provides a significant contribution regarding liberal internationalism and the global economic order. We are very fortunate at *Tocqueville 21* to have the opportunity to host this forum on Mulder's important new book.

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## Review by Benjamin Coates (Wake Forest University)

### Sanctions: What are they Good For?

Economic sanctions have become omnipresent. In February 2022 commentators debated the efficacy of [sanctions that target Iran's nuclear program](#) while humanitarians worried that US and UN sanctions on Afghanistan's Taliban government would [contribute to widespread starvation](#) of millions over the winter. When Russia invaded Ukraine, President Joe Biden [ruled out a military response](#) and worked with allies to impose a broad package of economic penalties. The turn to sanctions represented the culmination of a decades-long trend. The Obama administration sanctioned an [average of 500 people and organizations per year](#); the Trump administration doubled that figure. Sanctions are now Washington's go-to foreign policy tool. Yet sanctions [rarely achieve their aims](#), [scholars tell us](#). Too easily evaded by their targets, the effects of sanctions often fall hardest on innocent civilians. Russian sanctions may play out differently, but in recent years sanctions have frequently served as diplomatic junk food, offering policymakers moral posturing on the cheap while causing damaging decay.

Nicholas Mulder's masterful *The Economic Weapon* takes us back to a time when sanctions seemed both more promising and perilous. This historical intervention is sorely needed, for social scientists dominate the scholarship on the topic. Drawing on ever-more sophisticated models and massive data sets, they often treat sanctions as a series of discrete episodes that can be quantified in order to help policymakers [make sanctions more "effective."](#) Mulder shows that what is interesting about sanctions is not whether or not they work. Regardless of their "efficacy," sanctions have "effects" that require richly contextualized archival digging to comprehend fully. In recovering the materiality and mindset of economic coercion between 1914 and 1945, Mulder reconceptualizes European and international history in fascinating new ways, while highlighting the intertwining of idealism and violence at the heart of liberal internationalism.

Mulder's title encapsulates his fundamental insight: at their birth modern sanctions were understood as an "economic weapon" of devastating power. Prior to the atrocities of World War II, he notes, embargoes represented Europe's deadliest anti-civilian technology. Compared to the handful of civilian casualties from poison gas or aerial bombing, malnutrition exacerbated by the Allied blockade during World War I killed, by Mulder's reckoning, 300,000-400,000 people in Germany and an equal or greater number in Ottoman Greater Syria. After the war, officials on both sides convinced themselves—wrongly, according to Mulder—that the blockade had won the war. No surprise then that the Allies repurposed it into a tool of peacetime coercion, a tool that became known as "sanctions." Article 16 of the League of Nations covenant made sanctions Geneva's central enforcement mechanism. They were "a terrible remedy," in Woodrow Wilson's words (2), a weapon of total war dangled over the heads of those who might oppose the League. That their early successes (dissuading a Yugoslav invasion of Albania in 1921) were balanced by defeats (the failure to undermine Bolshevism in Russia or stop the Italian occupation of Corfu in 1923) did little to dispel confidence in—and fear of—their power. At the same time, sanctions upset traditional conceptions of international law, troubling the border between peace and war and undermining the status of neutrality.

In the 1930s, sanctions famously failed to prevent the Italian conquest of Ethiopia or the rise of Nazi power and the outbreak of World War II. Mulder rejects the standard contention that these failures revealed sanctions to be a “paper tiger” (201). Sanctions failed, he writes, because they were too strong and therefore difficult to implement. The latter half of this argument runs perilously close to the oft-repeated claim that sanctions would work if only they were fully tried. But Mulder is right to emphasize that the problem of sanctions was structural: it stemmed from the hierarchical nature of European order in the 1930s and the legacies of World War I, and it traced the fissures in the unstable peace/war distinction. Memories of the blockade haunted revanchist powers. Finding new sources of supply for vital materials loomed large in their geopolitical strategies. In the conquest of Eastern Europe, Hitler sought immunity from another British blockade. “I need Ukraine, so that they cannot again starve us out like in the last war,” he reportedly told a Swiss diplomat (249). Thus the fear of sanctions and the drive for “blockade resistance” (*Blockadefestigkeit*) (277) fueled expansionist aims. But while Hitler and Mussolini understood sanctions as war, Britain and France remained committed to the contrary notion: that sanctions might *prevent* war. They were unable or unwilling to confront the reality that adopting compelling sanctions against the Nazis would require the mobilization of society on a quasi-wartime footing. With the United States consumed with debates over neutrality, the League lacked the sort of commitment that would have been necessary to make sanctions effective.

The end of the League did not mean the end of sanctions. “Collective security did not die,” Mulder argues, “it went to war” (259). Franklin D. Roosevelt famously said that Lend-Lease would turn Washington into the “arsenal of democracy.” Noting that most recipients of American aid were not democratic, Mulder persuasively and intriguingly argues instead that Lend-Lease be understood as the positive side of Article 16 sanctions. Previous attempts to combine economic proscription with economic aid had failed but here they worked splendidly, giving the victims of fascist aggression the power to defend themselves and uniting the economic power of the Allies to crush the Nazi and Japanese war machines. The resulting victory of the “United Nations,” as the Allies called themselves during the war, ensured that economic sanctions would form part of the UN charter. Article 41 authorized the Security Council to impose them, although now as an intermediate step in a larger infrastructure that included the use of military force. Hence, Mulder concludes, “the economic weapon was an interwar creation that was carried over into the postwar world by power politics” (290).

Mulder draws on deeply impressive research (in five languages, across archives in six nations and in hundreds of published works) to infuse this narrative with satisfying richness. He uncovers fascinating tidbits and offers compelling reorientations of European and international history. He suggests, for instance, that we see Allied blockades of Hungary and Russia after WWI as central to the “stabilization of the bourgeois social order in Europe” (89). The Holy Roman Empire makes an appearance: Germans referenced its collective dispute resolution mechanisms to make sense of League sanctions (140-41). Mulder reveals that the League’s sanctions strategy against Italy actually focused more on stopping Italian exports (so as to drain its gold reserves) than on imports. He suggests that a credible American threat to hold up oil shipments convinced Francisco Franco not to join the Axis. And he points out intriguingly that the concrete result of the US oil embargo on Japan and its Lend-Lease aid to the Soviet Union meant in practice the “rerouting of energy transport across the Pacific—instead of steaming to Yokohama, U.S. tanker

vessels now set course for Vladivostok, a few hundred kilometers north” (280). Everyone will learn something new from Mulder’s archival discoveries and fresh perspectives.

What emerged most strongly for me is the mutual constitution of sanctions and liberal internationalism. Not only was the economic weapon central to the imagined functioning of the League of Nations, it was intimately bound up with both the material and ideological realities of liberal thought and governance. In [Toozean fashion](#) Mulder traces global material flows to reveal the power located in key nodes of exchange. British control over the [sinews of industrialization](#) gave the WWI blockade power beyond that imparted by the navy. Mulder notes that British interests dominated the world’s shipping (55% of all seaborne trade), maritime insurance (2/3), trade finance (60%), telegraph cables (70%) and shipping fuel (3/4). Despite popular assumptions that the Depression halted globalization, Mulder shows that industrialized countries remained highly dependent on imported resources in the 1930s. The League’s power to compel obedience through sanctions rested on these material realities, which Mulder expertly explains in accessible fashion. He also chronicles the rise of legal and administrative bureaucracies and statistical knowledge that made imposing sanctions feasible. Sanctions were a product of the modern state in a globalized world.

But ideology mattered too. Free traders like Robert Cecil and Norman Angell were some of the biggest early supporters of the blockade specifically because of their commitment to economic interdependence. Labeling economic coercion “sanctions” highlights liberalism’s stated faith in the rule of law, for the term had traditionally referred to actions taken to enforce laws or norms. If “blockades” pursue national aggrandizement and “the economic weapon” is a tool of total war, “sanctions” promote universal harmony and order. It is significant, as Mulder repeatedly points out, that sanctioners understood precisely what economic coercion entailed. “We tried,” reflected William Arnold-Forster, “...to make our enemies unwilling that their children should be born; we tried to bring about such a state of destitution that those children, if born at all, should be born dead” (4). Recalling sanctions’ origins as the “economic weapon” makes it impossible to ignore the side of liberal internationalism committed to the use of power to maintain global hierarchies and helps explain opposition to League governance.

Sanctions also relied on the classical liberal assumption that humans are rational maximizers of self-interest. Sanctions deterred aggression, the argument went, because common men and women would respond to declining material wealth by pressuring their leaders to make peace. Mulder casts doubt on this animating faith: “Most people in most places at most times make collective choices on the basis of a wider set of considerations” (297). Ironically, both the fear of and faith in sanctions required at least partly rejecting this wisdom.

Mulder notes at one point that sanctioners had to “fashion a responsive object” (131), that is, they needed to create a populace vulnerable to economic pressure. This fashioning seemed to occur as much within their own minds as in the targeted societies, and one wonders about how other influences besides liberalism contributed to that fashioning. How should we calculate the significance of emotions, in particular the affective impact of the fact that sanctions worked “without a drop of blood,” as a French newspaper editor put it? (56) Mulder notes the feminist criticism of “hunger blockades” put forward by Jane Addams and her allies; what role did masculine assumptions play in the debate? In discussing divergent British attitudes towards

Chinese civilians and Italian armies, Mulder states that “imperial prejudice clearly shaped British thinking about the economic weapon” (221). One wonders how broadly deep-seated ideas about race and civilization shaped perceptions of how and when sanctions would work. What to make, for instance, of the invocation of Moro insurgents in US official Stanley Hornbeck’s 1941 observation that Japan “has not, in the presence of severe economic pressures, exploded or gone berserk or moved toward a national juramentado” (282)?

The emergence of “sanctions” as the preferred term for peacetime economic coercion demonstrates the power of sanctioners. Interwar German and Italian leaders rejected the description, conceptualizing sanctions instead as simply the continuation of wartime blockade. That sanctions today remain commonly seen as an alternative to war reflects the residue of American global hegemony. Even unilateral US programs are described as “sanctions,” suggesting the ways that Washington has sought to universalize its national interests. As emerging great powers embrace economic coercion, scholars reach for new terms, from “[geoeconomics](#)” to “[weaponized interdependence](#).” Policymakers will of course want to know how best to utilize these tools of statecraft, and IR theorists may provide them with some answers. But one hopes that Mulder’s brilliant work will inspire more historians to take up the topic, for tracking the evolution of sanctions over time offers important clues about the shape of the world to come.

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## Review by Liane Hewitt (Princeton University)

### **The Paradoxes of Liberal Peace-Keeping**

Nicholas Mulder's *The Economic Weapon* is a terrific tour-de-force. Without a doubt, this book will establish itself as the definitive account of the origins of economic sanctions forged in the 20<sup>th</sup> century's era of total war. It recounts how a coterie of Franco-British statesmen implemented the lesson of blockading Germany in World War I. They attempted to develop a new "economic weapon" within the framework of the League of Nations that would make war so costly, it would effectively be abolished. Far from achieving this end, however, they helped make incipient forms of war and violence a permanent fixture of the liberal international order.

The aim of weakening the enemy not only through direct combat, but also through the material deprivation of its entire population, long predates the 20<sup>th</sup> century. Armies lay siege to cities to force surrender, driving inhabitants to mass-starvation, even to the point of eating their own excrement. This tactic had defeated visionary projects in Europe's history, from the [Anabaptist Commune of Munster](#) (1534-5) to the [Paris Commune](#) (1870-71). But the "economic weapon" of sanctions could only be wielded within a globalized world economy. Economic historians have long-established how a [single integrated world market](#) in capital and goods only developed from the late 1860s onwards. Economic sanctions weaponized this interdependence.

Mulder mounts two major arguments anchored in his claim that the "blockade myth"—namely, the conviction that the Allied blockade was decisive in the defeat of the Central Powers in WW1—transformed the 20<sup>th</sup> century's liberal international order. In so doing, Mulder significantly revises established narratives on the interwar crisis of liberalism, the rise of the sovereign nation-state, the failure of the League of Nations' collective security regime, the nature of total war, and even the origins of World War II itself. It is an ambitious book that takes the reader across a sweeping geographical tour. Scholars across many disciplines—from modern European, American, Soviet and Japanese history, to historians of international order, international law, political economy and warfare—will all want to reckon with its provocative claims.

After Germany's surrender in 1918, "sanctionists" who had administered the Allied wartime blockade, including [Lord Robert Cecil](#) and [Léon Bourgeois](#), sought to transform the economic weapon into a peacetime institution. The weapon was to be managed by the League of Nations with the aim of enforcing the new territorial settlement and inter-state peace hammered out at the 1919 Paris Peace Conference. This was much more complicated than it sounds. It required transforming international law to blur the distinction between war and peace. Officially, the British government could not use coercive measures without declaring war. Thus, the authors of the League hoped to devise an automatic mechanism that could trigger the deployment of sanctions without requiring any formal declaration of war. Mulder shows that this effort to pacify the economic weapon failed. As its feminist and humanitarian critics lamented, sanctions illicitly perpetuated the violence of total war in peacetime: ruthlessly visiting suffering upon civilians by starving mothers and children. The Franco-British journalist [Edmund D. Morel](#) coined the apt term "Peacewar" in 1919 to capture this contradiction.

Mulder illuminates how the politics of the peacetime economic weapon revealed a growing paradox within the heart of interwar liberalism. It sought to maintain peace by means of war. This pitted liberal “Neutralists” against “Sanctionists.” The two camps disagreed over the appropriate limits and scope of the state’s politicizing reach over the economy. The imperatives of total war, and of keeping the peace thereafter, threatened to dissolve the sanctified distinction of 19<sup>th</sup> century liberalism between the private market—including private globalized trade and finance—and public inter-state warfare. Mulder shows how the deployment of sanctions—including foreign asset freezes, sequestering enemy property, suspending patents, prohibiting exports and imports, embargoing arms sales—all demanded unprecedented increases in state intervention in the economy. The state’s administrative capacity, especially surveillance over private trade and banking, had to be scaled up significantly. It is therefore not surprising that sanctionists, despite being more aggressive, tended to align with the political left: they were [New Liberals](#) in Britain, Progressive New Dealers in the U.S., and Radical-Socialists, Republicans or *solidaristes* in France. Neutralists, on the other hand, had more in common with [neoliberals](#). They maintained that the use of the economic weapon violated the traditional laws of war, including the sacrosanct freedom of the seas and private property rights.

Mulder reads the permanent consolidation of economic sanctions within the [United Nations Charter](#) in 1945 as the ultimate triumph of sanctionists over neutralists. This means their vision of liberalism won out, along with a politicized and even militarized view of the economy. It was a legitimate theatre for war and state imperatives. Total war buried classical 19<sup>th</sup> century liberalism, and with it, its ideology of neutrality. Distinct boundaries between the public and the private sphere, civilians and combatants, war and peace, all dissolved. This boils down to the book’s first core thesis: the economic weapon reinvented liberalism for the 20<sup>th</sup> century’s age of total war and national state sovereignty over the economy. Mulder’s interpretation also reframes the [interwar crisis of liberalism](#), not only as an assault by Communists and Fascists against the liberal order, but also as an internecine conflict between liberals. The centre could not hold even its own.

It bears mentioning that the economic weapon ushered in another major rupture with classical 19<sup>th</sup> century free trade liberalism. Starting with Montesquieu’s theory of *le doux commerce* up through Norman Angell’s [ill-fated predictions of world peace on the eve of WW1](#), liberals of most stripes believed that the fabulous expansion of international commerce would banish war. John Stuart Mill, the paragon of Victorian liberalism, confidently set out this axiom in his [Principles of Political Economy](#), the authoritative mid-19<sup>th</sup> century textbook in the subject: “It is commerce which is rapidly rendering war obsolete, [...] it may be said without exaggeration that the great extent and rapid increase of international trade, in being the principal guarantee of the peace of the world.” (Book II, Chapter 17). Sanctionists turned this logic on its head. They held that exclusion, rather than entrapment, within the world economy could deter war. If World War I should have proven them right, many within the League of Nations, continued to hold to the old liberal faith. [The International Chamber of Commerce](#)’s founded in 1919 adopted the motto “[World Peace through World Trade.](#)” Many participants at the League’s World Economic Conferences parties called for “economic disarmament,” belying the steadfast belief that dismantling trade barriers would promote peace by attenuating inter-state trade rivalries. In these contradictory theories of “economic peace,” we find another division between liberals.



The book's second thesis is more explosive. Mulder contends that sanctions back-fired catastrophically. This is a story of unintended, if “not wholly unforeseen”, consequences. Mulder suggests that if the League's deployment of sanctions against smaller Balkan states like Yugoslavia and Greece in the 1920s helped stabilize the post-1918 territorial settlement, the threat of sanctions had a destabilizing function in the 1930s. The threat of sanctions, and economic pressure, drove the more powerful revisionist states—fascist Italy, Nazi Germany and militarist imperial Japan—to escalate their programs. They embarked on what Mulder refers to as “bids for resource-autonomy” via violent territorial conquest and outright war. Mulder shows that the search for *Blockadefestigkeit* (“blockade resilience”) was a central driver of Nazi policy. Shut out from the world market, these states essentially had no other alternative.

Mulder provides several persuasive examples for how economic pressure prompted military aggression. We are shown how autarky was developed first by Mussolini's Italy in 1935 as a direct anti-sanctionist measure. Mulder's account invites historians to view the Italo-Ethiopian war of 1935-6 as the decisive episode in the collapse of the interwar liberal order, rather than say the appeasers' [Munich Agreement](#) of 1938. We then see how Nazi Germany, and Hitler himself, consciously learned a lesson from the League's sanctions against Mussolini. Indeed, Mulder suggests this is precisely why Germany launched its own massive war economy plan in 1936. The timing is no coincidence. The Goering [Four Year Plan](#) for rearmament and resource self-sufficiency can be seen as a pre-emptive anti-sanctionist program for “defensive autarky.”

Mulder provides an extremely refreshing take on the tired debates surrounding the supposed failure of the League of Nations' collective security regime and the origins of WW2. In the last fifteen years, a cohort of historians of interwar internationalism have worked to rehabilitate the League from the condescension. Mulder joins them by arguing that the League did not fail for lack of an enforcement mechanism. Contra the [classic realist condemnations of E. H. Carr](#), Mulder points out that the League did not naively rely only upon the moral force of public opinion. It, in fact, had real teeth. The authors of the League intended for economic sanctions, encoded in [Article 16 of the Covenant](#), to enforce the collective security agreement. This is a crucial intervention. Mulder further revises the historiography which has judged the sanctions regime as ineffective, by arguing that far from being too weak, they were too strong. If sanctions were rarely used, this is because they remained within the domain of threat.

We are reminded that WWII was never inevitable. It was not predetermined by the Treaty of Versailles, or Nazi ideology. Rather, real material constraints baked into the sanctionist rules of the liberal international order radicalized Nazi Germany's foreign policy, and that of Italy and Japan. Adam Tooze's incomparable [Wages of Destruction](#) (2008) has already illuminated how the Reichsbank's critical shortage of foreign currency reserves accelerated Hitler's decision to go to war by 1938. So too did the fear of blockade and a resource shortage.

The core insight of Mulder's thesis, however, is not entirely original—at least as concerns the German case. An all but forgotten German-American historian, Henry Cord Meyer who worked for the Office of Strategic Services during World War II, already grasped the pivotal importance of the First World War's blockade on the radicalization of German expansionist aims. His 1955 book, [Mitteleuropa: In German Thought and Action, 1815-1945](#)—awarded the George L. Beer Prize by the American Historical Association—demonstrated how fears of the blockade's

material privation shifted German foreign policy ambitions from its pre-1914 *Weltpolitik* (“world policy” with a special focus on overseas empire and naval expansion) to building an autarkic *Mitteleuropa*, or Central European block. Meyer situates this pivot in 1916 with the publication of Friedrich Naumann’s *Mitteleuropa* (1915). An immediate best-seller, the book stimulated massive popular interest in the blockade and projects for continental autarky. Meyer shows how this fed new movements and ideological momentum that led directly into the Nazi program. He ultimately concludes his study by presaging Mulder’s own thesis: “The conception of economic sanctions that subsequently became a cornerstone of the League of Nations was an invitation to autarchy and international economic anarchy” (339). It is a little baffling that Mulder should have entirely ignored Meyer’s work: not citing it even once, nor even Naumann for that matter.

Mulder expands Meyer’s thesis beyond the German case to the entire global order. This is its genuinely original, and massive contribution to the literature. His historical study investigates the impact of the blockade and the League’s sanctions regime on all the revisionist states—Fascist Italy and Japan—not just Nazi Germany. This is accomplished through an inspiring historical sweep, anchored in impressive archival research undertaken in six countries and five different languages. Mulder also extends the narrative in time. He shows how sanctions—despite massively backfiring in the late 1930s—became a permanent fixture of the post-1945 U.S.-led liberal international system. Mulder innovatively suggests that the *Lend-Lease* program constituted the first successful deployment of a “*positive* economic weapon.” In contrast to World War I, the Allied World War II effort prioritized mutual assistance to all victims of Axis aggression rather than material deprivation of the enemy. Combining both the positive and negative economic weapon had always been the idea of the French, notably Bourgeois. Once both were wielded in concert in WWII, then the economic weapon was truly an invincible force.

It is a true testament of *The Economic Weapon’s* significant contributions that the book raises as many questions as it provides answers. One lingering question relates to how exactly economic sanctions remained distinctly liberal. Could there be illiberal economic weapons? What would fascist or communist economic warfare look like? In September 1944, U.S. President F. D. Roosevelt denounced cartels as the Nazi “weapon of economic warfare”. Or is this better interpreted as a secondary response to sanctions, which remain the true *Ur*-economic weapon?

Another question concerns Nicholas Lambert’s discovery, presented in his ground-breaking book, *Planning Armageddon* (2012), that the British Admiralty had been forced to downgrade its initial 1911 proposal for full-blown economic warfare against Germany, in the event of a war, to a mere blockade. The Treasury and the Board of Trade warned the Admiralty that shutting down all financial and commercial transactions between the City of London and German markets would surely trigger a banking crisis in Britain itself. Business and financial interests had expressed great concern. This invites an important question of Mulder’s account: how did business circles respond to the development of the economic weapon in the interwar era? We might expect private trading and financial interests to have been virulently opposed to the possibility of their property rights being abrogated, even outright confiscated, to serve the imperatives of total war. Such opposition may have played a role in the specific form economic sanctions ended up taking. Mulder’s archives, however, for all their impressive breadth, predominantly give voice to the plans and perspectives of high-office politicians, statesmen,

technocrats and intellectuals. Feminists and humanitarians are briefly given the stage, but business and banking actors are largely elided. This is a little surprising.

Finally, if sanctions really are as ineffective at preventing war as Mulder convincingly shows, why have they remained so engrained within the international system? The answer must partly lie in the British blockader [William Arnold-Foster](#)'s remark that : “[p]ens are so much cleaner instruments than bayonets” (cited p. 5). The most important legacy of economic sanctions may lie in their bureaucratization and sanitization of killing. They provided a way for states to transfer the act of killing from soldiers, directly deployed on the field, to technocrats writing government orders. The killer is removed by one step from the violence of his war-making. It might even be possible to hide the violence of war entirely from view, thus dispensing with any guilt. The cost of war is also reduced: fewer soldiers’ lives need to be sacrificed. Ironically, this [liberal way of war](#) makes war cheaper, cleaner, and politically more acceptable. Drone strikes piloted by robots perform the same function, and arguably so does nuclear deterrence. Even if sanctions are not necessarily effective, they do retain a great many political attractions over conventional warfare. This means that, far from paving the way to the liberal, Enlightenment dream of [perpetual peace](#), sanctions might incentivize a descent into perpetual “peacewars” or “[forever wars.](#)”

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## Review by Jamie Martin (Georgetown University)

### **Economic Sanctions and the Backlash to Liberal Internationalism**

Nicholas Mulder's *The Economic Weapon* is an important contribution to the international history of the first half of the twentieth century. With a wealth of research, and a writerly eye for detail, Mulder shows how economic sanctions as a tool of statecraft originated during the First World War and its aftermath. *The Economic Weapon* is full of original insights and, like all great books, will spur further study of the many topics it touches—from the economic history of Fascist Italy to the history of the United Nations. It is also likely to be read with great interest in the context of contemporary debates about the uses and misuses of sanctions today. In what follows, I will highlight three areas in which *The Economic Weapon* makes particularly thought-provoking interventions: first, the political economic history of the First World War; second, the history of sovereignty; and third, the history of the rise and fall of liberal internationalism.

First, by tracing the origins of economic sanctions to the Allied blockade of the First World War, Mulder brings new insights to the study of the economic dimensions of the Great War— a topic that remains under researched, despite the massive and growing literature on nearly every other aspect of the war's history. Mulder's detailed account of efforts to remove Germany from a globalized world economy is particularly illuminating. Take one illustrative passage: Mulder follows the journey of the strategic raw material of manganese from Brazil to Germany, where it was used as a key input for the manufacture of corrosion-resistant steel. This journey began when a German steel company placed an order with a London agent, who arranged the purchase of the mineral from a British-owned mining company in Brazil, with financing provided by a Latin American subsidiary of a German bank. The manganese would be paid for with a sterling bill of exchange, a kind of transferable promissory note that was used to finance the lion's share of world trade at the time. The mineral was then carried on Brazilian state-owned railways to Rio de Janeiro, where it was shipped—likely in a European or U.S. vessel powered by British coal and insured by British firms—to Rotterdam, before being conveyed via rail or river boat to its final destination, a factory in the Ruhr Valley.

What Mulder shows is that after the outbreak of the war, British and French strategies of economic warfare depended on understanding, tracking, and controlling such complex supply chains. The experience of doing so, in turn, gave rise to the popular conviction that mastery of the sinews of global exchange could be used as a powerful tool of coercion during times of peace. In describing such processes, Mulder's book provides an important material dimension to the intellectual history of a core liberal internationalist belief – that the rules of the international order could be enforced by economic deprivation – by showing what, exactly, the “economic weapon” targeted: the complex, intertwined systems of finance, transport, trade, extraction, and production that made up the world economy in the early twentieth century.

Mulder's attention to the supply chains that crossed the borders of nations and empires adds heft to one of the chief insights of his book: that over the long term, the use of economic sanctions created a world in which neutrality could no longer exist – a world, as he quotes a scholar of the blockade from the Second World War, that was “[fit only... for belligerents to live in.](#)” As other historians have shown, the prosecution of broader strategies of economic warfare by the

European Allies and the United States during the First World War involved constant violations of the sovereignty and neutrality of many resource-rich and primary producing countries—particularly Latin American states like Mexico, Chile, and Argentina—which were effectively pulled into a conflict that they sought to avoid. Mulder’s insights add a new dimension to this research, by showing how one of the most significant consequences of sanctions over the long term was to make neutrality an increasingly meaningless legal fiction.

Dating the origins of the economic weapon to the First World War also shows how sanctions were founded on a mistaken belief about the war’s outcome: the idea that the Allied blockade won the war against the Central Powers. While there has been much debate about whether the blockade directly led to the starvation of German civilians, there is little question that it had truly catastrophic effects in Central Europe and, even more so, in the Ottoman Empire, where famine killed hundreds of thousands. But, as Mulder shows, Germany did not sue for peace in late 1918 because the civilian population had been hobbled by deprivation. Instead, this was due more to a crisis of morale in the military, as the initially successful 1918 Spring Offensive collapsed, influenza arrived, and the Allied militaries – their ranks swollen by the arrival of US soldiers – made swift gains. (At most, Mulder writes, the blockade played a “supporting role” in Allied victory.) After the war, both sides contributed to the construction of a myth of the blockade’s war-winning power. In Germany, right nationalist propaganda excoriated the Allies for waging an illegal and inhumane campaign against German civilians while blaming these same civilians for traitorously selling out a supposedly undefeated German military.

While Mulder demonstrates the persistence of this myth of the potency of sanctions after the First World War, he does point out that they did, at times, prove effective. The successful interwar use cases he outlines all involved relatively weak, regional European powers, whose territorially expansionist aims were thwarted by the use or threat of the economic weapon: Yugoslavia and Greece in the 1920s and Franco’s Spain, exhausted by civil war, in the late 1930s. But this weapon failed to deter major industrial powers like Nazi Germany, Japan, and Italy. Mulder points out that the on-going myth of its efficacy is not only founded on a misremembering of its origins in the First World War, but also on a blinkered conception of human psychology itself. The idea that one state can bend the population of another to its will simply by depriving them relies on an economistic understanding of human motivation that privileges material concerns over other factors like ideology or national *amour propre*. Whether or not this idea was convincing in 1918, subsequent history has proven it to be false.

Another area in which Mulder’s book makes an important intervention is in the history of sovereignty in the twentieth century. When the economic weapon first emerged, he argues, it was primarily used as a tool with an “external” aim: preventing inter-state conflict. After 1945, its uses expanded to also include the targeting of the “internal” affairs of states, whose choice of regime type or domestic legal arrangements were turned into objects of external intervention. (It’s no coincidence that most of the heavily-sanctioned states today are led by regimes ideologically antagonistic to liberal capitalism, like North Korea or Iran.)

This is an illuminating argument. It sheds new light on longer term transformations in efforts to define and differentiate the realms that are internal and external to the state. But the history Mulder tells can itself be read as suggesting that this binary separating the eras before and after

1945 may not be so stark. As he explains, one of the very first attempted uses of the economic weapon after the formal conclusion of the First World War was to starve out Soviet Russia and Hungary after the proclamation of a short-lived Soviet republic in Budapest under Béla Kun. It is true that the Soviet Union would not become a permanent target of interwar sanctions. But the birth of the “peacetime” economic weapon as an anticommunist device clearly pointed to its future evolution as an external point of leverage over domestic political arrangements. Moreover, sanctions were, from the beginning, seen as a way to foment popular discontent with an enemy regime and perhaps even precipitate revolution against it. This was certainly an aim of the Allied blockade: to destroy the legitimacy of the Reich and “Prussian militarism” among hungry German citizens. This was a highly interventionist vision of statecraft — one that went well beyond the goal of hobbling an enemy military or compelling a rival government to step back from the brink of war.

Mulder is right to point out that sanctions were not first and foremost concerned with regime type or domestic legal or humanitarian concerns during this era, as they would be later. Indeed, he shows how many in 1919 worried that starving Russian civilians was just as likely to augment the appeal of Bolshevism as to diminish it. But still, we shouldn’t downplay how radical this innovation was: a weapon had been designed to target the domestic political legitimacy of sitting governments. As it evolved later, the economic weapon not only blurred the borders between states of war and states of peace, as Mulder describes, but also increasingly turned the formerly domestic spaces of politics into targets of foreign intervention. But this vision of sanctions had been there from the beginning.

A further thought-provoking contribution of Mulder’s book comes in its almost tragic rendering of the overreach of liberal internationalism in the twentieth century. Far from being a weak institution, the League of Nations, at key moments, was seen by many as potentially wielding a world-beating tool of coercion. But the threat of this weapon seldom prevented war. Instead, anxieties about its possible use, and memories of the blockade, encouraged the so-called “revisionist” powers of Germany, Japan, and Italy to retreat further from the liberal international order and world economy in the 1930s. One of the greatest accomplishments of Mulder’s book is to show how — particularly in the case of Fascist Italy — Depression-era efforts to achieve economic self-sufficiency were direct responses to the threat of sanctions. The tool designed to protect the liberal international order played an unwitting role in precipitating its collapse.

The implications of this insight into what we might call the self-undermining tendencies of liberal internationalism extend into other domains beyond the scope of Mulder’s book. One similarity that immediately comes to mind is the backlash to the conditional lending practices of institutions like the International Monetary Fund (IMF) and World Bank — another highly interventionist tool of liberal international order-making. By the end of the twentieth century and beginning of the twenty-first century, memories of structural adjustment, “shock therapy,” and the IMF’s response to the 1997-1998 Asian financial crisis led to a turn away from the Bretton Woods institutions, whose meddlesome powers had tarnished the entire project of global economic governance. Bitter memories of IMF interventionism encouraged many states to build up their foreign exchange reserves to avoid needing recourse to the IMF during times of crisis.

(It is telling that the IMF was not invited back after the 2007-2008 crisis to various countries, particularly in Asia, where it had overplayed its hand in the 1990s.)

States like Russia and China have pursued a dual strategy of resistance to both of these interventionist devices of liberal statecraft — building up their reserve assets to obviate the need for foreign bailouts and “sanction-proofing” their economies in other ways. From the vantage point of the early twenty-first century, two of the most powerful liberal internationalist tools ever developed — conditional lending and economic sanctions — appear to have encouraged states to pursue new bids for national self-strengthening, which may be undermining the same international order that these tools were originally designed to protect.

*The Economic Weapon* helps to make sense of phenomena like this. Most of all, it explains why economic sanctions can easily backfire. It also explains how liberal internationalism, far from being too weak in a realist world of hard power, can sometimes be too strong for its own good. This is a stirring, masterful history of an important but underexplored phenomenon of the twentieth century, but also — given the global crises of the twenty-first — a cautionary tale.

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## Review by Glenda Sluga (European University Institute)

### **New Histories of the International Order and Why They Matter**

There was a time when writing critically of war or foreign policy put a scholar firmly in the camp of pacifists, appeasers, women. Nicholas Mulder's compelling *The Economic Weapon: The Rise of Sanctions as a Tool of Modern War* is one of a number of new critical histories of under-examined dimensions of the 20<sup>th</sup> century international order—an 'order' that continues to define 21<sup>st</sup> century security institutions and norms. Samuel Moyn's recent *Humane* (reviewed here last year) exposes the contradictions of international *legal* instruments invented in the late 19<sup>th</sup> century, and refined thereafter, which were intended to make wars less violent. Mulder takes that same evolving historical project a step further, unraveling the paradoxes that have plagued the international *economic* instruments known as sanctions. Not least, there is the stunning fact that a definitive modern method of deterrence intended to avoid war was also, in the early half of the twentieth century, "by far the deadliest."

The story of "the economic weapon" does not inevitably lead to the sanctions strategy. Instead, as Mulder shows, the exact logic of using money as bait in international relations has oscillated between the view of so-called "traders," who optimistically believe that commerce invites peace and encourages cooperation, and the more cynical arguments of "blockers," who trust that sanctions will force peace by financially strangling the military ambitions of belligerent states. The United States' Cold War Marshall Plan presumed that tying European states to "Western" money supplies would foster prosperity and, with prosperity, a sense of codependence and alliance. Financial reward would discourage conflict. The trader view was rooted in a long history of *doux commerce* thinking. Working his way through the nineteenth century, Mulder notes as long a history of "blocker" thinking: "imperial powers used pacific blockade to bend weaker states to their will at least twenty-three times." But Mulder argues that the use of the *economic* weapon in the form of sanctions (a term which itself *could* be used in two opposing ways) reached its apogee in the 20<sup>th</sup> century when it became the strategy of favor among the bureaucrats of, and political delegates to, a novel landscape of international organizations. It is against this background that, for the first time, Mulder unearths the various and shifting understandings and unintended consequences of blockers' strategies as they were argued for and implemented in settings of conflict and crisis.

For the army of new international historians excavating the institutional practices and norms of the League of Nations and its related bodies, there is much to discover here—and much of it unflattering—about the role of international security organizations in the conceptualization and use of the economic weapon. The head of the League's Legal Section, the Dutchman Joost Adrian Van Hamel, Mulder tells us, thought sanctions could be effective as a threat: "The economic weapon is one which works better by being kept in store." It was in the context of the interwar League and its world security mission that the profile of sanctions was significantly raised, until they became "central to global security." Just as importantly, Mulder argues that the existence of international organizations was a key factor in fostering debate about the effectiveness of sanctions. We learn that among some interwar commentators, economic sanctions were conceived of as a form of violence as bad as war, because of the suffering caused



to civilian populations, rather than as a method of avoiding suffering; sanctions were understood to be “the dark side of liberalism, a superficially neutral tool that in fact hid old-fashioned power politics.” In this story, voices such as these (even when anonymous) add texture and resonate with hindsight. Indeed, although he refers to the “Genevan world police,” in Mulder’s narrative the League was the site of some debate. However, that same debate ultimately enabled the blockers to win out over the traders: “[t]he rhetoric of sanctions did more than express the new reality of interwar politics; over time it also came to influence that reality.” Some aspects of this development were not predictable. As sanctions were deployed to manage numerous post-First World War crises, such as the Italo-Ethiopian war, pacifists urged sanctions, and “hard-boiled soldiers and admirals” became pacifists. How shocking to discover the extent to which, for some League bureaucrats and interwar politicians, merciless sanctions that led to “starvation of the general population and in particular of the poorest people” were necessary if peace was to be preserved, since that strategy was “likely to cause such trouble in the aggressor country that it must give way.”

In the early 21st century, sanctions often assume “mundane” or even nuanced forms, targeting elites for example. They are, however, omnipresent: a 2015 UN report states that “one-third of the world’s population lives in countries that are under some form of economic sanctions.” The United States has been the dominant agent in this historical trajectory of the economic weapon—because of the dominance of its currency and fiscal jurisdiction in “global trade and debt issuance.” Mulder remarks on the irony, since, a century earlier, at least one US president conceived of sanctions as “un-American.” In a contrary move, the high-profile head of the League Public Information Office, the American journalist Arthur Sweetser, began as a blocker, enraptured by the League’s “weapon of economic strangulation,” and then, only in the mid 20<sup>th</sup> century, came to prefer the trader position, emphasizing the contribution of “the inventors and the businessmen who are driving the world together into one indissoluble unit.”

For those interested in international history more generally, Mulder’s approach is illuminatingly comprehensive. Here is an historian ready to cast his empirical net wide, drawing in the personnel of international organizations (individual men not often of interest to IR scholars), and the opinions of women (even less a fascination for students of security and international order building). Elizabeth Schumpeter is given her due, along with Helena Swanwick, Emily Greene Balch, Vera Dean, and the Women’s International League for Peace and Freedom. None of these women’s views map directly on to each other. Schumpeter (Joseph’s second wife, and herself an economist) was relatively conservative in her political views. Having been asked to write on Japan, Schumpeter produced an extraordinarily insightful study of that eastern empire’s industrialization and, on that basis, she argued that western sanctions would simply force Japan to use military means to obtain what it needed. For her honest efforts, she was hounded by the FBI. Although not part of this story, after Joseph’s death, Elizabeth was unable to find work as an economist, her treatment at the hands of the American establishment is an important sign that security decision-making was often blindly ideological, and that, by the mid-twentieth century, it was hard to argue against the sanction version of the economic weapon. In the case of Emily Greene Balch, her warning that elites could always protect themselves from sanctions actually provoked some League officials to insist that the broader population’s suffering should be the sanction strategy.

Overall, women's voices in this history take on the characteristic of a Cassandra-like chorus, particularly in the crucial interwar period, warning of the often terrible consequences of economic sanctions. "The women's movement," Mulder explains, "played an active role in the international history of sanctions, largely opposing and moderating their force—although also sometimes supporting them as preferable to war." While women had little political power in this history, when we add them and their associations the spectrum of views on sanctions widens, and the economic weapon is suddenly not an inevitable international arsenal.

This leads me to the ways in which *The Economic Weapon* narrative features "internationalists" as the key actors in this international history. Depicted as individuals who become enthralled with the machinery of intergovernmental organization as a method of achieving a specific end, peace, or at least not war, at almost any cost, even a quasi-war, they also come in a range of flavors and sizes: pro-League, humanitarian, democratic, imperial, British, French, American, liberal, hard nosed, even the professor-internationalist. Mulder concludes that today too, many internationalists "see few alternatives," and as a result, their perspective has led to the most "grievously counterproductive uses of sanctions, most prominently against Iraq in the 1990s, when its strangulation at the hands of the UN Security Council cost hundreds of thousands of lives and permanently damaged the country's social and economic fabric."

From the perspective of international history, it is worth focusing on the implications of Mulder's narrative for how we think about the history of the modern international order, not only its components but also its intellectual genealogies and agents, as well as the conventional "liberal" credentials of that order, and of internationalism itself, through the 20<sup>th</sup> century up until today.

To begin with, Mulder recalibrates our understanding of the League, its significance, and also the international order of the 20<sup>th</sup> century that we have inherited, with its strengths and weaknesses, and the difficult, crooked, sometimes vanishing line between war and peace. This history makes it more difficult to think in terms of dichotomies when we study security at the ineluctable intersection of international and national histories. At the same time, he lays bare the paradoxes of this past: "Far from being bleeding-heart pacifists, early twentieth-century liberal internationalists were deeply concerned with the use of force." And yet, the real gift of Mulder's history is that it tells the story of how practices and norms of international order *changed* through the course of the 20<sup>th</sup> century, thanks to the negotiation of its purpose and possibilities by diverse international actors. His attention to nuance and breadth of sources also allows us to infer that women have always been in this political space, adding to the range of views of what the international order should be like, and what it is for. Indeed, if we fully incorporate the women Mulder includes, internationalists are neither simply men, nor are they, at the peak of support for sanctions, the most ardent blockaders. On his own evidence, it is harder, or at least less meaningful to argue: "The internationalists in Geneva, as well as those in London, Paris, Moscow, and Washington, did not shy away from the threat and use of massive economic force."

International institutions have much to answer for in this history, not least for failing to stop wars, for utilizing a weapon bluntly, which then often landed wide of the mark. But, as this history shows, they also have been crucial to the growth of a global public sphere, where debate

and discussion of the importance of peace, of how to achieve greater social justice, have been seeded. To offer conclusions that exclude from the category of internationalists the views of women and anti-blockers that Mulder goes to such trouble to resuscitate, is ultimately to exclude the richness of international thinking—whether we call it liberal or not—from the repertoire of political ambitions worth recalling and recording.

In the weeks leading up to Russia's invasion of Ukraine, and thus far in its wake, sanctions have been the singular focus of strategies for preventing or ending war. In this cacophonous commentary about sanctions, it is Mulder's voice that most deserves a hearing. His work reminds us of the long history of both the potential and the limits of the economic weapon in the development of the existing international order. To succeed, any discussion of where we go from here must incorporate a solid and nuanced understanding of the complexities of the international past, and that is precisely what Mulder's excellent new book provides.

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## Response by Nicholas Mulder (Cornell University)

I would like to express my profound gratitude to Benjamin Coates, Liane Hewitt, Jamie Martin, and Glenda Sluga for their incisive commentaries on my book. This forum has been tremendously enriching, and I am glad to be able to offer a response to the questions raised by my colleagues. I will focus on the most important points that they raise.

The first of these is the political character of interwar supporters of sanctions as a new tool of international politics. Benjamin Coates rightly notes that “the mutual constitution of sanctions and liberal internationalism” is a core theme of the book. Indeed, this link appeared so strong to contemporary political observers such as Helena Swanwick, Karl Polanyi, and C. L. R. James, that they spoke of “sanctionism” as a distinctive approach to world affairs. Proponents of economic pressure as an instrument for the defense of the international order were clearly recognizable to them as “sanctionists.” This category expanded over time. Not all of the individuals and groups that it covered were liberals. There were also conservative, socialist, and communist sanctionists, especially during the widespread pro-sanctions public mobilization in European countries during the 1935-1936 Italo-Ethiopian War.

While the internationalists who made the most direct use of sanctions in discourse and practice tended to be economic and political liberals, others with different political leanings also embraced these policy preferences on numerous occasions. This is an important point insofar as it emphasizes that the divide between advocates and critics of sanctions did not divide liberalism from its various opponents—for liberals could be found on both sides of the sanctions question—but rather constituted a chasm between varied political and ideological coalitions that coalesced around key international issues of the 1919-1939 period: Bolshevism in Russia and Hungary, the Ruhr and Corfu crises, Manchuria, the Chaco War, Abyssinia, the Sino-Japanese War, and Hitlerism.

Liane Hewitt’s very sharp contribution cuts right to the core of the book’s argument that the creation of sanctions “reinvented liberalism for the 20th century’s age of total war and national state sovereignty over the economy.” She also puts her finger on two important elements that do not receive full treatment in the book: the influence of older German autarkic visions, and the relative absence of business actors. As she points out, Henry Cord Meyer’s classic *Mitteleuropa in German Thought and Action, 1815-1945* was the first study to argue that the 1914-1918 blockade stimulated German desires to develop a self-sufficient continental bloc in Central Europe. Meyer traced this turn in particular to the publication of the German liberal writer Friedrich Naumann’s *Mitteleuropa* in 1916, which galvanized public interest in Germany in turning away from an excessive dependence on global markets and stimulated interest in schemes for German-led European federative structures. Hewitt’s characterization of my book as a move to globalize the Meyer thesis is very acute—particularly since Meyer drew a direct connection between League sanctions and later autarkic programs—and puts it in the appropriate historiographical vein.

The acceleration of German autarkic thought in the early twentieth century is a fascinating phenomenon. In my interpretation, however, there is a significant gap between the politico-economic and strategic visions formulated by German elites documented by Meyer, and the practical decisions by Wilhelmine, Weimar, and Nazi era actors that culminated in the

campaigns for *Robstoff-Freiheit* and *Blockadefestigkeit* in the 1930s. The influence of Naumann on interwar thinkers was noticeable, but in reality the outcomes of German policy were imperfect hybrids, with various government agencies and different segments of the corporate elite pursuing both Central Europe-focused *Mitteleuropa* and more globally-oriented *Weltwirtschaft* strategies. The diffusion of power across institutions and the vagaries of the interwar global economy caused German autarkists to pick and choose elements from both approaches. Both Naumann's vision and the dramatic Nazi designs for a pan-European *Großraumwirtschaft* shared a desire for self-sufficiency wrought by economic war. But the actual configuration of Nazi empire in the 1940s was more expansive than the Great War fusion of Wilhelmine and Habsburg economic zones plus their vassal states and dependencies that characterized the agenda of the *Mitteleuropa* enthusiasts. While important, Meyer's tradition is thus merely one strand among the twentieth century's panoply of 'varieties of autarky' that deserve greater historical study.<sup>1</sup>

In part the distorted continentalist path followed by Germany in the era of peacetime blockade fears and League sanctions reflected the greater resource requirements of the Nazi state and military apparatus. But it was also the result of a clash between cultural-strategic vision (uniting German speakers in a single economic zone) on the one hand and material realities (the need to earn foreign exchange through exports on world markets, and great reliance on grain, oil, and ores from Slav-dominated states such as Yugoslavia, Romania, and the Soviet Union) on the other. In this regard, the effects of economic war on German autarkic visions could move rapidly as the world situation changed and the diplomatic alignment of its likely opponents shifted. This polycentric and interactive dynamic between Western and Eastern sanctions-wielding states, German blockade-phobia, and pan-European self-reliance strategies is best captured by a work to which my book bears an even greater debt than Meyer's: Georges-Henri Soutou's monumental study *L'or et le sang: les buts de guerre économiques de la Première Guerre Mondiale* (1989), which remains the best history of political-economic strategy in the war that we possess.

The limited role played by businesspeople in *The Economic Weapon* reflects, in part, a documentary challenge in gathering materials located across hundreds if not thousands of private and corporate archives. Centralized organizations and lobbies representing business interests sometimes made their voices heard on the issue of sanctions, as in the case of the International Chamber of Commerce (ICC), founded in 1920. But these moments were infrequent, although they can be glimpsed through close study of the interwar press and the publications put out by various producers' interest groups. Business decisions could certainly be significant. In the spring and summer of 1935, for example, a lack of private sector confidence in Italian creditworthiness had already created an effective corporate-financial boycott of the Fascist regime months before League sanctions went into effect.<sup>2</sup>

The stories of how firms, businesspeople, and banks went about evading and skirting sanctions is equally important. Other than a brief foray into the mechanics of the Great War financial blockade in Chapter One, I did not find the occasion to document this dimension to the degree

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<sup>1</sup> A wide-ranging and valuable contribution to mapping this great variety is Eric Helleiner's *The Mercantilists: An Intellectual History* (Ithaca: Cornell University Press, 2021).

<sup>2</sup> A condition uncovered in the excellent doctoral dissertation by Mario May, 'Fuelling Fascism: British and Italian Economic Relations in the 1930s, League Sanctions and the Abyssinian Crisis,' (PhD thesis, London School of Economics, 2000).

that I would have liked. A fully-fledged business history of economic sanctions would certainly be very rewarding to pursue.<sup>3</sup> There is also a rich international judiciary history of sanctions in the interwar period involving the jurisprudence of the Permanent Court of International Justice (1922-1946) that is ripe for further investigation.<sup>4</sup>

Jamie Martin identifies key contributions that the book makes to the political and economic history of the First World War, to the history of sovereignty, and to the history of liberal internationalism and its tendency to overreach. Like Coates, he notes the importance of situating sanctions materially in the economic history of the early twentieth century. One of my aims in making this methodological move in the book was to go beyond the portrayal in the dominant literature on sanctions from political science and international relations, which tends to view them first and foremost as a security instrument. Then as now, the world-economic conjuncture vitally conditions every single episode of sanctions use.

More critically, Martin is entirely right to question whether the contrast drawn in the book, between a pre-1945 period in which sanctions focused on preserving inter-state peace and a post-1945 period in which their use shifted more to changing the internal goals and policies of states, is fully warranted by the evidence. Indeed, the immediate aftermath of the Great War witnessed the explicit counter-revolutionary use of economic pressure against Soviet Russia and Hungary. The internal and external goals of the economic weapon emerged with particular clarity in Allied war aims discussions in the summer of 1918. At that crucial juncture, Wilson's fervor for democratization in Germany and Russia made him formulate conditions for the lifting of economic pressure that effectively demanded regime change in Berlin and Petrograd.

The difficulty that I encountered in devising the narrative structure of the book was that this anti-authoritarian and anti-communist use of sanctions, while noticeably present in the 1918-1921 period, thereafter subsided. American absence from the League and European predominance in Geneva gave sanctions a formalistic and diplomatically conservative character. It is striking that when British and French planners considered sanctions against the regimes of Hitler and Mussolini in the years between 1933 and 1938, they often explicitly ruled out embargoes on the import of raw materials used in labor-intensive industries like textiles and tobacco. Such anti-industrial sanctions would endanger fascist regimes politically by causing widespread unemployment; but precisely for this reason, they were rejected in Paris and London because such political instability was deemed to cause class war and risk a communist takeover.<sup>5</sup>

As a regime-change tool, then, sanctions did not really come into their own until the United States fully committed to international institutions in the 1940s. The “missing” interwar history of sanctions as tools for political transformation that Martin rightfully identifies is thus in part a

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<sup>3</sup> A good starting place are the studies of wartime business strategies amidst economic warfare such as Philip Dehne, *On the Far Western Front: Britain's First World War in South America* (New York: Manchester University Press, 2009) and Ghassan Moazzin, *Foreign Banks and Global Finance: Banking on the Chinese Frontier, 1870-1919* (Cambridge: Cambridge University Press, 2022).

<sup>4</sup> The doctoral research of Aden Knaap about internationalism and world courts in the early twentieth century will provide an overdue exploration of this domain.

<sup>5</sup> A pervasive international and ideological orientation that is comprehensively examined and put forth as a key structural condition in the decision-making that led to World War II by Jonathan Haslam, *The Spectre of War: International Communism and the Origins of World War II* (Princeton: Princeton University Press, 2021).

reflection of the relatively late American adoption of the economic weapon in the twentieth century. Once the Cold War started, communist governments in China and North Korea were the first to experience the force of sanctions under US hegemony. Ironically, whereas anticommunism had made interwar European appeasers more moderate in considering sanctions against fascist states which they considered a lesser evil, to US sanctionists changing the ideological constitution of rival states was a prime goal of Cold War-era sanctions. In both cases, economic pressure was pursued more ruthlessly in non-European settings.

Glenda Sluga places the book in the wider wave of new studies of internationalism in the twentieth century. She also teases out some illuminating contrasts among the internationalists who constitute the book's protagonists. The broad contrast that she introduces within this group between "traders" and "blockers"—positions that were held simultaneously by different individuals as well as sequentially by the same people—is especially perceptive and useful to my mind. However, she also points out that the meaning of "internationalism" as I use the term in the book is unstable. On the one hand, it captures the leading segment of policymakers and experts who steadfastly advocated for sanctions, and who worked to reorganize the international system so that they could function optimally. On the other, the book features an important cast of critics and outsiders to this male Genevan elite, most of whom are equally well described as "internationalists," just of a different variety, often but not always non- or anti-sanctionist.

Sluga's suggestion that this double and shifting use of the term is a narrative tension throughout the book is absolutely correct. More precision could have helped render this complex and variegated universe in more detail. One of the things that my equivocation over the real locus of "internationalism" reflects, however, is the clear disagreement observable in the 1920s and 1930s about the place of sanctions within the internationalist world. Was the cause of peace between peoples and orderly trans-national progress and emancipation served by instruments derived from wartime blockade, as long as they were placed under international oversight? Could the tensions of sanctions be reduced by more fully developing international redistributive arrangements, as Swanwick and Schumpeter so presciently suggested? Or would any coercive structure, no matter how well intentioned, cause as many problems as it solved?

This last question leads me to a final remark on the overarching plot of the book. One of the things that I sought to convey is that sanctions began as a great new experiment in international policy-making and institution-building. This venture has been totally transformative for the world. But it has also created new fault lines and quagmires that seem truly intractable. Their advent widened the available tools of international politics, yet at the same time it has left us in the early twenty-first century with a noticeably narrower set of political outcomes. Sanctions are the foreign policy key that fits the lock of every crisis, but they do not open doors to anywhere new. Such a trajectory in which vaulting hopes are followed by a sense of resignation about reality is not historically novel, as the insight shared by Napoleon with Goethe which forms the book's epigraph shows. This is a tragic story about how moments of great inventiveness can enshrine practices with unintended consequences, the full knowledge of which nonetheless leaves us unable to do otherwise. *La politique est la fatalité*. The genuine challenge is to get to somewhere as yet unseen.

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