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The Meddlers: Sovereignty, Empire, and the Birth of Global Economic Governance

Jamie Martin

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Introduction

Blaise Truong-Loï

Since the Covid-19 pandemic, the IMF has been faced with a paradoxical situation. On the one hand, the return of inflation on a global scale reaffirms its pre-eminence at the heart of the international monetary system. On the other hand, the rise of China as the main creditor of many defaulting states (Zambia, Pakistan, Sri Lanka) questions the central place it has held for over seventy years in any debt restructuring. Global economic governance, of which the Fund has been a keystone since 1945, is therefore going through a turbulent period. In this age of global economic upheaval, Jamie Martin's *The Meddlers*, considerably enriches the analysis of this phenomenon by giving it genuine historical depth.

Building upon work of the political scientist Louis Pauly and, above all, the historian Patricia Clavin, Jamie Martin, assistant professor at Harvard, traces the genesis of international economic governance back to the interwar period. He shows how, at the end of the First World War, the Allies began to entrench the logic underlying the mechanisms whereby they won the war: by acquiring decisive economic and logistical advantages through international cooperation. To do this, Martin deploys an impressive number of varied sources. In addition to British, French, American and Indian national archives, he draws on a large corpus of bank records (from the Bank for International Settlements, the Banque de France, the Bank of England, and HSBC), intergovernmental organizations (the League of Nations and Inter-Allied Food Council) and private papers (including those of Charles Addis, Thomas Lamont, Arthur Salter, Jean Monnet). But it is first and foremost because of its innovative perspective, focusing on "how the first international economic institutions developed the power to open the internal economic spaces of sovereign states to the involvement of "outsiders"", that the book stands out. With this resolutely political framework, Martin focuses on the rise of the "meddling power"; he explores the conflicts surrounding its legitimacy and its objectives over more than twenty years. In doing so, he shows that those who supported meddling power and its development were convinced liberals for whom it was necessary to limit state sovereignty in order to preserve the planetary domination of Europe and the stability of global capitalism. Thus, like Nicholas Mulder's book on the rise of economic sanctions in the same period, Jamie Martin brilliantly articulates a history of the ideas of global economic governance and a social history of those who defend them, the titular "meddlers", whom he also calls the "architects" of the first global economic institutions.

Particularly stimulating in its approach, Jamie Martin's book is also remarkable for the diversity of the areas of the international economy that it examines and over which the meddlers attempted to gain control throughout the interwar period. The first chapter analyses the First World War as a crucible in which intergovernmental economic cooperation became an essential aspect of the war effort, particularly on the production of essential raw materials such as nitrate of soda, tungsten, or tin. Chapters 2 and 3 then deal with financial issues. The second chapter examines the conditional loan mechanisms set up in the early 1920s. In the summer of 1922, at the initiative of France and with the support of the United Kingdom, the League of Nations organized a financial control over one of the most illustrious defeated countries: Austria. Inspired by the imperialist institutions created to interfere in the internal affairs of Egypt and the Ottoman Empire in the late nineteenth century, this control was nevertheless presented by its promoters as being quite different from these embarrassing precedents. French diplomats and British financiers justified it by describing it as a disinterested and legitimate intervention due to Austria's membership in the League of Nations. However, as Martin shows, behind this façade, the financial subjection of Austria was for Montagu Norman, Governor of the Bank of England, a leverage for increasing the independence of central banks on the Old Continent. Under this system, any new loans would be conditional on an increase in the autonomy of the Austrian National Bank. Following this analysis, the third chapter then looks back at the coordination efforts of the various central banks in the 1920s and traces the steps leading to the creation in 1930 of the Bank for International Settlements.

After these financial issues, the following sections explores areas less obviously associated with global economic governance. Chapter 4 studies the birth of development aid programs, and looks back at the plans designed to help Greece welcome the many refugees arriving on its soil after the dismantling of the Ottoman Empire, and those to support the Nationalist Chinese government's proactive policy of infrastructural and economic modernization in the 1930s. Chapter 5 then extends the insights of Chapter 1 into the control of the production and trade of certain raw materials that were particularly important for the war effort between 1914 and 1918. It shows that, despite the difficulties of financial and commercial inter-state coordination, the Great Depression fostered inter-governmental cooperation over a strategic commodity like tin. In doing so, the book highlights the extremely concrete and local consequences of the rise of meddling institutions like the Refugee Settlement Commission (RSC) of the League of Nations in the case of loans to the Greek government or the International Tin Committee (ITC) in the case of tin management. Refugees arriving in Greece were sent to work in fields in Macedonia or in carpet factories by the RSC. In Malaysia, the implementation of a worldwide restriction on tin production by the ITC led several small companies to go bankrupt and thousands of miners to lose their jobs.

The rise of the new international institutions did not only have far-reaching consequences; it was also quickly contested by a wide range of actors, the delicate web of whose hetereogenous aims is carefully unraveled by Martin. The Austrian government, for example, complained that its sovereignty was blatantly encroached when its public finances fell under the control of the Economic and Financial Committee of the League of Nations. When similar treatment was contemplated in Portugal in 1927, the minister of Finances who had proposed calling for help from the League was quickly dismissed following fierce opposition to the prospect of international interference. The conglomerates dominating the tin industry as well as some members of the Malaysian colonial government concerned about the loss of their imperial sovereignty also questioned the relevance of an international management of global commodities. The interwar period was therefore simultaneously the time when the "meddling power", which today justifies the ability of organizations such as the IMF to act, took off and gained legitimacy, and the period when the tensions that still permeate global economic governance first arose. It was at this time that contemporary debates were structured, even though their terms have been subject to frequent renegotiation since the 1930s. Should domestic economic policies be opened to external scrutiny – if so, which? Are there states that have a greater right to autonomy from external interference, and which *de facto* enjoy such a right?

To discuss these issues at the heart of international politics, this book forum invites three leading academics to share their thoughts on Jamie Martin's book. Madeline Woker is an early-career fellow at the Collegium Helveticum and Permanent Lecturer at the University of Sheffield, and a specialist in the economic, financial, and fiscal history of the French empire. Mira Sigelberg is a University Associate Professor in the History of International Political Thought at Cambridge University; her expertise lies at the intersection of international history and law. Finally, Charles Sabel is the Maurice T. Moore Professor of Law at Columbia Law School, where he is currently working experimentalist and incremental approaches to solving global problems like world trade and climate change. In the next week, responses to *The Meddlers* by all three will appear here, at *Tocqueville 21*, followed by a response from the author.

Other people's economies

Madeline Woker

Jamie Martin's *The Meddlers: Sovereignty, Empire, and the Birth of Global Economic Governance* builds on and sits at the intersection of rich and lively historiographies concerned with the history of interwar internationalism, the political economy of empire, the history of international development, the relationship between capitalism and democratic governance, and perhaps most importantly the history of global economic regulation and governance, which has benefited from a remarkable recent upsurge of interest.[ii] This is a timely book. At a time when the Bretton Woods institutions (IMF, World Bank) are faced with the slow death of the neoliberal Washington Consensus that they helped spawn, a historical inquiry into their deep, imperial origins is particularly welcome.

One major contribution of the book lies in its thorough analysis of "the first phase" of global economic governance which did not emerge only in the post-1944 world, Martin tells us, but in throes of the First World War as the Allied Powers sought ways to organize economic warfare against the Central Powers and win the war thanks to unprecedented coordinated economic planning. What comes out clearly in the first chapter and then re-appears episodically is a very stimulating argument about the novelty of international management of raw materials supply and procurement in the interwar era and the role it played in forcing the march of global economic institution-building.

The book also shows that conditional lending, a practice that we have come to associate with the International Monetary Fund (IMF) and the post-Bretton Woods world of the 1970s in fact emerged much earlier, notably through the loans extended under the aegis of the League of Nations. One crucial difference however lies in the fact that the League – and its Economic and Financial Organization more specifically – was not lending its own money. In contrast, the IMF sits on a capital amounting close to $1tr and made up of the initial contributions of its member-shareholders as well as additional borrowed money. But not unlike today, these loans and the associated "meddling" in their recipients' economies triggered intense controversies over sovereignty and interference.

The cases of Austria, Greece, and China are particularly illuminating, and the array of examples used – spanning Central Europe, Latin America, East and Southeast Asia – speak to the truly global nature of Martin's analysis. This is international and global history at its best because it follows governance methods and institution-builders across national contexts and draws connections but never loses sight of where power lies. The book shows, notably, that "imagined standings in a hierarchical world order" often determined the degree and acceptability of meddling. Wasn't it indeed precisely because they wanted to mitigate the "humiliation" of a recourse to the IMF that eurozone member states set up the European Stability Mechanism in 2012? Regional financial arrangements are also emerging elsewhere and have already begun to decenter the IMF and the West.[iii] So have the so-called non-Paris Club creditors, most importantly China.

What follows are several remarks, mostly formulated as questions, which have to do with Jamie Martin's engagement with empire, the politics of interwar meddling in Austria, Greece, and China described in chapters 2 and 4 respectively, the author's choice of "meddling projects", and finally the implications that the book's findings may have for discussions about the future of global economic governance. These should by no means be interpreted as criticisms: if anything, they testify to the richness of this highly thought-provoking book.

While the charge of meddling became highly resonant in an age of empire undergirded by racialized hierarchies, the kind of interference that Martin looks at differs, he argues, from the meddling of imperial powers into the internal affairs of their colonies or that of the international debt commissions of the nineteenth century because "in the aftermath of the First World War, international efforts to govern the world economy involved a new challenge: compelling governments of sovereign states to relinquish full autonomy over policies, resources, and institutions without insulting their claims to self-governance and national pride in the process." This means, in other words, that there may very well be an imperial genealogy at play here but that it was not a straightforward one; it was not *merely* new wine in old bottles. Point taken. It did come as a surprise however that the author decided not to engage with territories placed under the League of Nations' mandatory rule. They are referred to a few times but mainly to argue that the Permanent Mandate Commission (PMC) "did not exercise powers to set economic policies." This might merit further exploration.

In a recent piece outlining potential new research avenues on the League and empire, the historian of German colonial revisionism Sean Andrew Wempe suggests that the mandates system could indeed have served as a "bridge between the long nineteenth century's variant of imperialism as civilizing mission and the new developmentalist aid networks, the new spheres of influence, and the ongoing exploitation of the Global South by the Global North without formal colonization that arose after the Second World War and decolonization", in which he explicitly includes the IMF and the World Bank.[iv] The domestic jurisdiction clause, contained in Article 15 of the Covenant, did not apply, by definition, to the mandates system. The question of where sovereignty lay nevertheless remained a hotly debated issue within the mandates commission.[v] A cursory look at the minutes of the PMC shows that its members spent quite some time discussing, monitoring, and indeed meddling, in the economic life of territories placed under their guardianship. Could this aspect of global economic governance in the interwar period, the "adaptative international imperialism" of the mandates system, have made its way into the book, if only to further prove the author's point?[vi] What differentiates the interwar imperial and international politics of economic meddling in, say, Iraq or Syria, from the case studies analyzed in this book?[vii]

A second question relates to resistance to meddling, specifically to chapters 2 and 4 which contain some very convincing descriptions of the politics of meddling in Albania, Austria, Greece, and China respectively. Was everyone involved to the same degree in "the politics of resisting" interference? To whom did sovereignty matter the most? Were there instances of elite capture that could further complicate our understanding of the politics of meddling?

A third question has to do with the relative success of certain meddling projects. The author decided not to engage with trade as this was "one area of policy that remained much harder to influence." Finance is presented, by contrast, as much more vulnerable to meddling. Another interesting terrain was tax cooperation. Just by virtue of its existence, the League managed to put pressure on the Swiss tax haven for instance, and especially the Swiss tax administration, which did not see eye to eye with Swiss bankers, at least in the 1920s.[viii] This was, admittedly, a less intrusive type of meddling – Farquet talks about the "symbolic power" of the League and the "pressure" it exerted on governments – but it was meddling, nonetheless. Why do some meddling projects work better than others?

Finally, this book is very much a story about origins and transitions. Some individuals straddle temporal boundaries, the economist and tutelary figure Jacques J. Polak for instance who started his career at the League and then went on to become Chief of the Statistics Division, Assistant Director, Deputy Director, and Director of Research at the IMF. But this is a difficult continuity and one that has remained hidden from view, as the book shows. Does this mean that the prequel must die for the sequel to emerge? Might this have implications for current discussions about the future of global economic governance? In the "post-neoliberal" era, will it be enough for the International Monetary Fund or the World Bank to follow an Evolution Roadmap in an effort to remake themselves or will something entirely different have to emerge? The author gestures towards this hypothetical future at the end of the book, as well as in a recent long read in *The Guardian*. What needs to change? Will sovereignty come to matter as much as it did in the age of planetary climate risk? Will carbon mitigation plans devised by rich countries emerge as a new form of meddling? In what ways could or should this book help us think about a way forward? And finally, how should we characterize the new meddling of non-Paris Club creditors?

[i] This review builds on oral remarks prepared for a book launch event which took place at the Political Thought and Intellectual History seminar, University of Cambridge, 28 November 2022

[ii] See for instance Eric Helleiner, *Forgotten Foundations of Bretton Woods: International Development and the Making of the Postwar Order* (Ithaca: Cornell University Press, 2016); Patricia Clavin, Securing the World Economy: The Reinvention of the League of Nations (Oxford: Oxford University Press, 2016) and Martin Daunton's *The Economic Government of the World, 1933-present* (London: Penguin, 2023)

[iii] William N. Kring and William W. Grimes, "Leaving the Nest: The Rise of Regional Financial Arrangements and the Future of Global Governance", *Development and Change*, 50 (1)(2019): 72-95

[iv] Sean Andrew Wempe, "A League to Preserve Empires: Understanding the Mandates System and Avenues for Further Scholarly Inquiry", *American Historical Review* (2019): 1731

[v] Susan Pedersen, *The Guardians: The League of Nations and the Crisis of Empire* (Oxford: Oxford University Press, 2015): 204-232

[vi] Sean Andrew Wempe, "A League to Preserve Empires", 1727

[vii] See, most recently, Parvathi Menon, "Negotiating Subjection: The Political Economy of Protection in the Iraqi Mandate (1914-1932)", *Third World Approaches to International Law Review*, 2 (2021): 180-199

[viii] Christophe Farquet, « Expertise et négociations fiscales à la Société des nations (1923-1939) », *Relations Internationales*, 2, 142 (2010) : 5-21

Non-Interference and the Prospects of True Sovereign Equality

Mira Siegelberg

At the heart of Jamie Martin's important book, *The Meddlers* is the question of how a group of bankers and bureaucrats sought to overcome the stigma facing international intervention in domestic economic matters after the First World War. One could imagine a different, more traditional, research agenda for a study of global economic governance than the one that guides the book, focused on the question of how states agree to give up control over areas of domestic policy in the name of international cooperation or even just for the sake of economic stability. Instead, what we find in *The Meddlers* is that the global significance of the powerful institutions that define global economic governance that we know today, including the IMF and the World Bank, transcends any stylized conflict between internationalism and nationalism. These institutions have often been criticized for their conditional lending practices and for imposing interventionist policies on developing nations in exchange for financial support. And as we learn from *The Meddlers*, understanding the roots of global economic governance – and the prospects for a more egalitarian international order – depends on grasping how the vision of stabilizing capitalism through international institutions first emerged in an age of empire.

Through a series of fascinating cases – from the League of Nations' economic loan to interwar Austria, to its resettlement of refugees from Turkey in Greece, and its economic support for the nationalist government in China – *The Meddlers* challenges the idea that the origins of global economic governance lie in the Bretton Woods agreement after the Second World War. As the book clearly sets out, before First World War the western imperial powers had imposed highly interventionist and coercive measures to demand the repayment of loans on non-western governments, especially in the case of the Ottoman Empire. They delineated between the practice of respecting sovereignty in the realm of the so-called civilized states when it came to economic matters, and imposing imperial economic practices outside this defined sphere. What was so radical, then, after the First World War was the initiative taken by internationalists to envision international institutions that could assume the authority to intervene in economic matters in countries that were, at least formally speaking, recognized as sovereign and part of a common international society with representation at the central international organization, The League of Nations.

As *The Meddlers* shows, enacting this vision of international oversight over national economies meant developing strategies for legitimizing economic interventionism in the face of resistance to "interference." The term "interference," as the book argues, served as a "global lingua franca' deployed by a diverse range of actors that expressed the explicit recognition of the fact that reaching into the realm of the economy had always been a clear signal of the dynamics of global power and status and marked the history of western meddling in non-western states.

The Meddlers therefore demonstrates the historical importance of strategies of legitimation and argument in the formation of institutions—the traditional object of study for historians of political thought—and the essential link between strategic argument and institutional organization and structure. The personnel and many of the assumptions and practices of empire persisted into the interwar era, but the need to justify economic interventionism in light of the questions of status and power that such interventions provoked was part and parcel of the institutional innovations that led to the establishment of global economic governance in the interwar period. As Martin wonderfully elucidates, legitimation was not simply about using the right language, but about institutional organization and structure. For example, in the fascinating chapter on proto development projects in Greece and China, *The Meddlers* explores how the League's development efforts in China should be comprehended in light of the broader goal to legitimize international involvement through multilateral institutions.

From the book's rich discoveries we learn that two solutions were put forward to overcome resistance to international financial and developmental interventions: the first strategy presented international institutions as sources of neutral expertise concerned with the overall stability of the system rather than particular interests. The second strategy was to portray such interventions as a form of self-help since governments would be represented in the organization: their initial buy-in implied that as a stakeholder any moves by the institution to interfere with economic policy could not be conceived as meddling, signaling the country's weaker international status.

The concept of sovereignty is foregrounded in the book's title but as I read, I wondered about the historical significance of the term "interference" and its relationship to the concept of sovereignty, though the two concepts are often presented as synonyms in the book. Martin explains that the charge of interference worked rhetorically to indicate the violation of sovereignty, and that this charge appealed to existing legal claims about sovereignty that implied insulation from the reach of external entities.[i]

Yet *The Meddlers* invites one to consider whether there are meaningful differences between the concept of interference and that of sovereignty, both in their historical applications and in their present implications for reforming international order. "Sovereignty" of course can be used in a more informal sense to designate control or autonomy but it also carries other intellectual, conceptual, and historical baggage. In the interwar period, the League of Nations formalized sovereignty and statehood as the basis for a multilateral international organization, and in the process worked to police the boundary between national and international spheres of authority. The League was not – as Martin points at one moment in the book – the "Parliament of Man" envisioned by Tennyson, but firmly based on the principle of the sovereignty of the representative state governments. However, despite the premise of state sovereignty that underwrote the foundation of the League, the fact that the organization was empowered to underwrite the separation between the national and the international, the domestic and the foreign, signaled to many actors in the interwar period that sovereignty was conditional and relative, especially for new states like Austria and Albania in the postimperial context after the First World War.

Sovereignty is always a contested concept. However, in the decade following the First World War the concept became especially fraught. Some thought to do away with it altogether in an era that demanded transnational solutions to continental and global problems. New states that emerged from old empires claimed sovereignty, but their existence highlighted the puzzle of how this claim is determined in the first place, whether it depends on international recognition, and what that recognition implies about the nature of the power and authority assumed by the new state.

In a striking example from 1920 that I came across in the British National Archives, British officials discuss a proposed treaty between Poland and Danzig and clarify one of the reasons that the concept of sovereignty was so fraught in the interwar period. In the memoranda, officials distinguish between Poland, "an ordered government recognized by the powers," and the Danzigers, who existed "by the will of the Powers." As the officials explained referencing Danzig's distinctive status, the Great Powers and the League of Nations were "within their rights in imposing the conditions of existence on a child of their own creation."[ii] In this instance, the official distinguishes between Poland's sovereign status and the deferred question of the sovereign status of Danzig. However, the language used by the official indicates how sovereignty was articulated as a relative concept rather than as an absolute.

The question, then, is whether the legal structure of sovereign statehood that took shape in the twentieth century contributes to the persistence of global power dynamics and hierarchies, especially as they play out in the realm of global economic governance. Critical Legal Scholars and others have argued that the way new states enter into international society through the recognition of statehood binds countries into a system built to preserve and reproduce hierarchy. According to this argument, sovereignty implicitly depends on the satisfaction of standards of development. Formal statehood, with its attendant claims to sovereignty, could therefore be understood as a kind of iron cage rather than the basis for freedom, limiting a political community's scope for action and agency, and even as a "practice of subordinated inclusion" to borrow a phrase from Jennifer Pitts and Adom Getachew.[iii]

In this context, the way that the actors studied in *The Meddlers* self-consciously deploy the term "interference" comes across as resoundingly clear, free from the historical and legal weight carried by the concept of sovereignty. One of the admirable ambitions of the book is to think through what it would mean to make sovereign equality a working reality rather than a powerful fiction, and how the institutions of global economic governance would need to be reformed toward this end. And from this perspective one might consider the question of how the notion of "interference" could be conceptually productive – given that it does not seem to carry the same baggage as sovereignty. If interference was a "global lingua franca", was it understood as conceptually distinct argumentatively and analytically from claims about sovereignty? And if this is the case, might this concept contain hitherto unexamined resources for envisioning a more genuinely equal global order?

In other words, if it is reasonable to distinguish the notion of "non-interference" from that of sovereignty, could non-interference function as an informal principle and regulative ideal that governs the IMF and the World Bank, and perhaps set the terms for the auto-limitation of the more materially powerful countries, especially the United States, in the name of instituting and preserving a more genuinely equal global order? On the other hand, perhaps sovereignty is enough of a regulative ideal, or should be, if we think of sovereignty in the basic sense of control and agency. It seems worth considering, though, whether the directness and intuitiveness of the notion of non-interference, its power as a global lingua franca, is one of the book's striking discoveries.

[i] Jamie Martin, *The Meddlers: Sovereignty, Empire, and the Birth of Global Economic Governance* (Harvard University Press, 2022), 14.
[ii] Question of Danzig," October 26, 1920, FO 893/8, TNA: PRO. Quoted in Mira Siegelberg, *Statelessness: A Modern History* (Harvard University Press, 2020), 56.
[iii] Sundhya Pahuja, *Decolonising International Law: Development, Economic Growth and the Politics of Universality* (Cambridge University Press, 2011) On the phrase "subordinated inclusion: see Jennifer Pitts and Adom Getachew, Introduction, *W.E.B. Du Bois: International Thought*(Cambridge University Press, 2022), xxxi.

Coordinating commodity production then and now: will this time be different?

Charles Sabel

As mounting geopolitical tensions and the urgency of decarbonization recast relations between North and South Jamie Martin's *The Meddlers* reminds us of how, from the First World War through the 1980s, global economic coordination was regularly limited by the hierarchies and habits of the declining European empires and the rise of Wall Street, but also how boldly heterodox and effective global coordination can be, despite the overhang of these hierarchies and the blinders they usually impose. The book warns us that today's response might, again, limit the immediate effects of crisis while leaving the structures of global privilege in place. *The Meddlers* doesn't address the problems of the present directly. But by showing the continuities in the global economic strategies of the dwindling empires and the new American hegemon through most of the 20th century *The Meddlers* draws attention to novel features in the North/South relation today that suggest how measures to address the current crisis could also be a step towards a more just world order.

In standard accounts of global economic governance, the decades following the Bretton Woods conference in the US in 1944, out of which emerged the GATT, the IMF and the World Bank, are a golden age of "embedded liberalism." Trade rules encouraged commerce, especially by reducing the risks of competitive devaluations and other self-serving trade behavior, while preserving the "policy space" within which national governments could construct welfare states and manage the domestic economy by Keynesian precepts. Such is the attraction of this Goldilocks solution that some of the most thoughtful critics of the current, excessive or hyper globalization urge a return to Bretton Woods as the best chance for a more equitable world economic order.[i]

Martin criticizes this view from two directions. First, building on recent, revisionist writing, he argues that the scope of the Bretton Woods affordances was much more limited than usually supposed.[ii] For one thing, in the early postwar decades many developing countries were still colonies, with domestic policy limited by imperial control, or ex-colonies, subject to neo-imperial interference. For another, the failure of Keynes and his allies to install institutional safeguards against the emergence of a "grandmotherly" regime, dedicated to order maintenance, cleared the way for the IMF and World Bank to make loans conditional on wide ranging respect for creditors' interests, continuing the meddling financial interventions of the interwar years (hence the book's title), to the detriment of development. Accounts that link the rise of intrusive globalism to the advent of neoliberalism – roughly coincident with the transition from the GATT to the WTO in the mid-1990s – therefore ignore the continuities between Bretton Woods conditionality and later practices, to say nothing of the continuities between the Bretton Woods regime in practice and prior efforts at coordination of the world economy since the First World War. On this understanding, there is no golden age to go back to.

But even as he underscores the persistent concerns with conditionality and the meddling interventions to which it led Martin shows in a second line of criticism that many of the earlier interventions, especially before Bretton Woods, have been more audacious and transgressive than usually supposed. In the face of crisis, regime-building industrialists, bankers and technocrats set aside liberal pieties about the minimal role of the state in the domestic economy and the subordinate role of international organizations in a world of sovereigns. When need be they constructed institutions subordinating private to public interest and domestic and imperial authority to international control. The continuing preoccupation with conditionality was thus periodically punctuated by episodes of disruptive, heterodox institutional creation that touched off furious debate among protagonists and observers about the potential for further, wider ranging transformation. The contribution of the book is to show both the weight of orthodoxy and its surprising susceptibility to challenge, and thus to allow us to see the current jumble of orthodox and heterodox ideas — for example, a massive increase in industrial policy, in violation of the neoliberal precept of protecting the economy from markets, combined with a penchant for administering the new policies through the tax system, leaving crucial decisions to markets in a way that might partly console neoliberals — as of a piece with debate at earlier turning points in the path of global economic governance.

The pattern of continuities and discontinuities between the current moment and earlier crises that best highlights the distinctive promise of the present is the case of the coordination of international supply chains for commodities such as tin and rubber (in the period covered by *The Meddlers*) or steel, forestry products and soybeans (today). In the earlier period the issue was price and the underlying balance of supply and demand. Commodity prices fell precipitously after the First World War, and when markets began to stabilize in the 1920s deflation set in as innovations in mechanization, hybrid seeds, and other technologies increased productivity and led to gluts. The collapse of commodity prices during the Depression only increased the turmoil. By the 1930s the situation in a rich

British colony like Malaya was acute. Falling revenues from export duties from tin and rubber put the colony's finances under strain, stressing in turn the imperial balance of payments. The slump in demand also jeopardized the jobs of hundreds of thousands of Indian and Chinese migrants in Malayan mines and plantations. Their discontent raised fears of racial tensions and ultimately a Bolshevik insurrection.

The response to these threats was the formation of an international tin cartel. Building on many attempts to build private cartels before the First World War – especially in capital intensive industries – representatives of several hundred tin producers formed an international lobbying group in London, months before the crash on Wall Street, and proposed a voluntary suspension of mining activities. When the limits of voluntary action became evident the group pushed for the creation of a body with formal powers, and in 1931 the International Tin Committee (ITC) was established by agreement among the colonial governments of Malaya, Nigeria and the Dutch East Indies. Bolivia, as one of the key bases of the Anglo-Oriental company, the dominant firm in the global tin market and in the British colonial tin producers, joined as well.

The ITC was a hybrid, and its hybridity, together with its formal authority, gave it enormous power to reshape markets. Besides delegates of the signatory states, the committee included representatives of the most important business interests, particularly the British financier and the Bolivian tin moguls who bestrode Anglo-Oriental. The government delegates to the committee, moreover, often simultaneously held offices in one or more colonial governments and in the corresponding empire. When the ITC spoke, therefore, it expressed a consensus at the highest levels of public and private decision-making.

Despite its authority, protest against the decisions of the ITC was swift and dogged. Small British and Chinese firms in Malaya, using less capital-intensive methods than the new dredging technology favored by Anglo-Oriental companies feared, with good reason, that the latter would use output reductions to shelter their high cost operations, while they, with limited access to capital, would be driven to the wall despite lower operating costs. This concern gave rise to a legal claim asserting that the ITC's restrictions unlawfully interfered with a lease signed decades earlier granting a British firm the right to freely prospect for 77 years within a designated, 300 square mile area. Such claims are routinely brought today by aggrieved investors under the many investor-protection treaties now in force, which are frequently interpreted to mean that regulatory changes that diminish the profitability of foreign investments amount to illegal expropriations. But in the 1930s, the Malayan courts found that the colonial government had as much power to abridge contracts as parliament did in Great Britain; the privy council in London, the highest court of the Empire, agreed.

Implementation of the new regime was in some cases obstructed by administrative difficulties in the distribution of production allowances. In the Dutch East Indies, where tin production was either in the hands of the government or of a single private corporation, itself under state control, administration was straightforward. But in Malaya, with more than a thousand mines and many, mostly Chinese, women who panned for tin with wooden implements, it was not. Eventually these *dulang* washers had to be allocated certificates— to be shown on demand— authorizing their individual production quotas.

But these matters were soon brought under control, and the example of the ITC inspired imitators, first in rubber, tea, and coffee; then, as New Dealers saw the potential advantages of commodity price stabilization in agricultural exports, in wheat; and finally in oil with the creation of OPEC. These commodity control commissions, Martin notes, were the only successful attempts at international economic coordination between the Depression and Bretton Woods. They worked well enough that many survived through the 1980s. If they did not become financial motors of development in post-colonial countries, this was not because they failed to stabilize prices and generate reserves, but rather because the new states often invested the proceeds in ill-conceived projects of industrialization.[iii]

The problems of reorganizing commodities supply chains today are fundamentally different from these earlier efforts at market stabilization, starting with the need for innovation. In many cases, the way to produce an environmentally and economically sustainable variant of a given commodity is, as yet, unknown. Green solutions will have to be found, and investigation will be expensive. Quantity controls had no need of innovation; on the contrary, imposition of quantity controls tended to retard the introduction of innovative technologies for fear that increased productivity would disrupt markets. The task for innovation today is complicated by the idiosyncrasies of place: differences in soil, climate, pests, or geology that together make it unlikely that solutions developed in one setting can be transferred directly to others. Even if, exceptionally, natural circumstances allow a solution to be generalized, differences in social structure severely limit the possibility of implementing it elsewhere in the same way. A further complication is frequently the need to devise solutions both for large technically sophisticated firms and for the *dulang*workers of today: small competitors, often working at the margins of legality or wholly outside it, typically in loose and lopsided collaboration with larger, more formal firms. If their needs are neglected, smallholders will be tempted to adopt survival strategies with disastrous ecological consequences, as we know from low-density cattle raising in the Amazon, where squatters burn a clearing in the forest, only to move on after a few years when primitive practices have exhausted the soil.

The importance of process engineering in the green transition calls attention to a second difference between earlier measures and the current situation: the need for close, continuous monitoring all along the commodity supply chain. The steel in green steel is the same as in dirty steel. The difference is that only green steel is produced by green methods. Close monitoring of every step of the production process — which is much more intrusive than the verifications of producer allotments used under quantity control systems — is therefore required to ensure that commodities that purport to be green actually are. Experience with forestry products, soybeans, and beef since the 1990s suggest that it is possible to build effective supply chain monitoring systems, but that doing so is expensive, requires continuous engagement with the local actors, and is much more likely to succeed when it is accompanied by effective technical support, which it seldom has been.[iv]

If adjustment in the green transition is more expensive than in earlier episodes of quantity control because of the additional costs of innovation and monitoring, the stakes in the green transition are higher too. This is a third crucial difference between then and now. The costs of commodity gluts and shortages are high in the short term; in the longer-term markets adjust. The reverse is true of the green transition. The cost of inaction are nearly negligible in the short term, but catastrophic as time goes on. By itself, of course the prospect of general catastrophe has a limited incentivizing effect because of familiar free rider problems: precisely because of the catastrophe is general, we each think all the others will ride to our collective rescue, and therefore no harm is done in avoiding individual contributions. But the green transition has progressed far enough so that such considerations are giving way to hard-headed determination to cash in on a great business opportunity, along with AI perhaps *the* opportunity of the new century. The higher costs of the green transition are therefore likely to be greatly outweighed by higher returns, at least for the winners in the race for solutions.

The last difference between commodity-chain coordination then and now reflects not the shift from quantity controls to green innovation, but rather a broader shift in geopolitics, especially of course the rise of China, and with it a new struggle for the allegiance of the global South. *The Meddlers* covers the transition from British to US hegemony. From the standpoint of the global South, this merely substituted one imperial master for another. Today, neither the US, nor China will be able to stand up to the other without the support of at least some large global South countries, such as Brazil, India, or Indonesia. Part of the price of hegemony – or, if no hegemon emerges, continued global influence – and of a leading role in the green economy of the future will therefore likely be a willingness to share the costs and benefits of the green transition to an extent not previously imaginable.

What would the governance arrangements for the greening of commodities look like? For starters, as in the period of the ITC and companion committees, the unit of action would be the sector, or more exactly individual commodity supply chains. Circumstances differ too much from supply chain to supply chain, even within families such as grains or metals, for more general rules to have any bite.

But where the ITC grouped elites of empire and private industry, while excluding local producers without elite patronage. such as the Chinese firms in Malaya, green commodity committees today will bring together representatives of consumer countries, typically in the North, and producing countries, typically in the South on equal footing. Keynes addressed the inequities of conditionality — the rules by which the powerful allocate access to credit and other benefits so as to preserve their power — essentially by doing away with it and making access automatic. The green committees will address the problem of lopsided rules by making the most vulnerable parties full partners in rulemaking.

The first task of this committee would be to agree on the process requirements to be satisfied for a product to count as green, and on procedures for verifying conformity. Members will export goods to one another duty-free. Imports from non-members will be subject to a tariff, thus protecting firms that invest in expensive, green technology against low-cost, dirty competitors, and penalizing business as usual.

But this agreement would only be the beginning. To achieve the goal of comprehensive decarbonization of a commodity, membership in the committee will have to expand beyond the group of capable and committed countries willing to take the initiative to include almost all producers and consumers. Penalizing dirty production goes only so far. To secure wide embrace of green methods, non-members must be able to join the green club on fair terms, ideally with the support of the founders.

The second task of the greening committee, therefore, is to establish a process for admitting new members. Because the idiosyncrasies of place mean that solutions may have to be adapted to new conditions, and because some innovations may improve on best practices, the criterion for admission cannot be limited to compliance with existing procedures. What will be required instead is a demonstration that measures suited to a candidate's particular conditions yield outcomes equivalent or superior to those currently obtained by members. In the best case, moreover, the club will provide technical assistance to candidates, especially with difficult problems, like the integration of smallholders, reducing the cost of adjustment and allowing stepwise entry into the green committee as progress warrants. In these ways members' own practices, no less than those of candidates, will be under periodic review. Far from freezing technological development, as quantity controls tended to do, green committees will encourage it.

Many recent developments, starting with the negotiations between the US and the EU regarding a green steel club, could be interpreted as precursors to such green committees.[v] But they may just as well result in new forms of protectionism that entrench dirty producers; and at the current pace, it could be a decade before the direction is decided. That is what it means to be at a turning point.

But one thing is clear, even if the ultimate outcome is not: the differences between this time and what went before are so great that there is a real chance that this time will be different.

[i] Rodrik, Dani. *The Globalization Paradox: Democracy and the Future of the World Economy.* New York: WW Norton & Company, 2011.

[ii] Helleiner, Eric. "The life and times of embedded liberalism: legacies and innovations since Bretton Woods." *Review of International Political Economy 26*, no. 6 (2019): 1112-1135.

[iii] Bates, Robert H. *Markets and States in Tropical Africa: The Political Basis of Agricultural Policies.* Oakland: University of California Press, 2014.

[iv] For a succinct discussion of the strengths and limits of monitoring of the beef supply chain in the Brazilian Amazon, see Alexandra Freitas and Marcello de Maria, "How to achieve zero deforestation in the cattle sector (".(2023

[v] For more on these arrangements see Hoekman, Bernard, and Charles Sabel. "Plurilateral cooperation as an alternative to trade agreements: Innovating one domain at a time." *Global Policy* 12 (2021): 49-60, and Sabel, Charles F., and David G. Victor. *Fixing the Climate: Strategies for an Uncertain World.* Princeton: Princeton University Press, 2024. A recent EU regulation unilaterally imposes conditions on imports of environmentally sensitive commodities, including coffee, cocoa, oil palm, soy, beef, wood, and rubber. For a careful discussion of the changes necessary to convert the law into a framework for the creation of the kind of partnerships described above, see Duffield, Lindsay. "An EU strategic framework for working with countries to achieve deforestation-free production." (2023).

Author Response

Jamie Martin

It's a great honor and privilege to have one's book read so closely by a group of scholars that one holds in such high esteem. In what follows, I will respond, in turn, to the important points they raise about its conceptual and historical claims, as well as its implications for political action today.

First, I want to pick up Mira Siegelberg's fascinating discussion of the relationship between the concepts of sovereignty and non-interference. She is right to emphasize subtle differences between the two. *The Meddlers* charted the long history of efforts by international organizations to constrain the policy autonomy of their members and of the forms of resistance this generated. These were related, but distinct, to contemporaneous struggles over claiming legal sovereignty. By the early twentieth century, the concept of interference was used to describe the unwanted meddling by an outside power in the domestic political, economic, and legal domains of a sovereign polity. Its loose definition, and the intractable questions it generated (What counted as "domestic?" When should such meddling be considered "unwanted?" Could an official statement, as much as an intervention backed by military force, be considered such an infraction?) allowed it to be deployed widely and with uneven results.

The concept first took modern shape during the era of revolution and counterrevolution following the Napoleonic Wars, concerning the question of whether an insurrection or civil war could be suppressed by a foreign power. By the end of the nineteenth century – an era that paired high imperialism with unprecedented capital mobility – it was used to describe interventions by lenders in the domestic affairs of borrowers. The era's coercive practices of debt diplomacy generated extensive legal debate about whether such interventions were compatible with the formal sovereignty of debtors like Greece, Venezuela, or the Ottoman Empire. By the turn of the 20th century, "interference" (or the commonly used French *ingérence*), was a highly legible, if baggy, term of art in legal and diplomatic debate in many national contexts. Claiming something was an act of interference, in other words, was a speech act with obvious political force. Whether or not such a claim had real effects, however, depended on factors unrelated to legal argument: the resource endowments, military strength, or strategic relationships of the state claiming a right to non-interference. (Today one might also include its dollar reserve assets or nuclear status.) These factors determined the degree of autonomy it could enjoy. Seen in this way, debates about sovereignty were often a red herring. For alongside legal claims for sovereign equality (among those states that enjoyed it, of course) there existed a huge degree of variation in how much this legal status translated into actual self-determination.

This is not to say that claims to sovereignty did not matter; of course they did. But achieving formal sovereignty was only ever the first step toward autonomy. This is an obvious point for a scholar of decolonization or neocolonialism. What *The Meddlers* sought to add was to show how the birth and evolution of global economic governance took place within a broader terrain of struggle over making economic internationalism compatible with self-determination, which sovereignty by itself never guaranteed. In this history, "semi-sovereign" states were key units of analysis: not only the recently decolonized, but also defeated Central Powers like Weimar Germany in the 1920s or the struggling post-Habsburg Austrian republic, as well as otherwise very different polities – from Liberia, and China, to Chile – that shared similar experiences with informal empire. Faced with manifold incursions into their domestic arenas, representatives from these countries all claimed a right to non-interference. While this was a technical term for defending national sovereignty—it was the language through which sovereignty claims were expressed—it was also a term that itself disclosed the limitations of formal sovereignty, which by itself was an unreliable index for political autonomy.

My understanding of this world of uneven autonomies was shaped by studies of the League's Mandates system, by Susan Pedersen, Antony Anghie, and others. These studies, as Madeline Woker points out in her illuminating review, were key to informing my analysis of the internationalization of empire in the twentieth century. In the economic realm, however, there were meaningful differences from what the Permanent Mandates Commission (PMC) and, say, the League's Financial Committee could achieve. The PMC was intended more to oversee the actions of the Mandatory Powers than to prescribe detailed fiscal reforms or control the spending of foreign loans, such as the League's Financial Committee did with its financial reconstruction and refugee resettlement schemes of the 1920s. The PMC's economic portfolio was also generally limited to two issues: ensuring mandatory powers committed to open-door policies concerning trade and investment and preventing forced labor. And, as Pedersen has shown, it was not particularly forceful in doing either. Moreover, it was itself never in the business of directly setting policy, concerning tariffs, public finance, or production and export quotas. It is because of these differences that the PMC was not central to my story, although Woker is right to point out that it was, of course, not unconcerned with economic questions.

One analogue to the PMC that I did explore in detail, and that Charles Sabel describes in his generous review, was the International Tin Committee (ITC) and its related intergovernmental commodity agencies, which effectively dictated key economic policies in certain European colonies. These agencies were much more forceful as policy-making bodies than the PMC. The ITC, for example, allowed representatives of countries outside the British Empire to design quotas strictly limiting tin mining in British colonies. In the case of Malaya, this meant allowing the Dutch officials on this international bureaucracy, and its equivalent for rubber, to wield decisive power over the two most important domains of the Malayan export economy: the production of tin and rubber. By contrast, the PMC may have helped change norms and generate debate over trade policies, development, and colonial labor abuses. But it never exercised the same degree of direct leverage over colonial economic policy.

On the question of who resisted and who welcomed interference, Woker is right to suggest that political and economic elites in some national settings invited the intervention of outside powers for the sake of their own interests. The appeal to the deux ex machina of the foreign bondholder was then, as it remains today, an oft-used tool for defanging the opposition of rival parties, defending unpopular policies among skeptical voters, or breaking the deadlock of parliamentary struggle. As the political scientist Jonas B. Bunte has shown in his important book, *Raise the Debt,* the factors that determine how a government chooses among foreign creditors are, above all, domestic: namely, the strength of particular interest groups and the balance of national political forces it faces. In the past, as now, accepting a loan made conditional on fiscal austerity was particularly useful to sidestep the opposition of left parties or trade unions. It's no coincidence that this tool was first developed in early 1920s Austria, where a conservative government sought to overcome social democratic opposition to the audacious schemes of fiscal retrenchment that it saw as necessary for the survival of the post-imperial republic.

The Meddlers described numerous instances where the appeal to this political logic was made – whether by League officials or by public and private actors in national settings. But it also emphasized how risky this bet always was. Maybe a political leader could invite such intervention to sidestep its opponents in the short term, but what price would it pay for doing so? By the end of the 1920s, the stigma associated with this had become so high that few governments were willing to accept it. The perceived humiliations of the states that had agreed to the terms of League loans earlier in the decade – Austria, Hungary, and Greece – outweighed the potential political advantages of foreign control. For a state like Yugoslavia, for example, where some leaders admitted the advantages of a League-controlled loan, they also saw how nationalist opposition made agreeing to one politically impossible. Serbia had, after all, been pulled into the First World War by resisting the era's paradigmatic threat of foreign interference: Austria-Hungary's July 1914 ultimatum to Belgrade following the assassination of Franz Ferdinand.

Why was it easier for institutions like the League to intervene in some domains of economic policy than in others? The toughest nut to crack was trade: there were very few instances of an international bureaucracy being empowered to adjudicate tariffs. For example, the participation of the United States in the League of Nations (which, of course, never happened) was made contingent at the Paris Peace Conference on the League never being able to influence US trade policy. This was, as much as anything else, a red line for the US senators anxious about the new institution. Before 1914, many international public unions created to deal with problems of commerce were explicitly prohibited from even discussing tariffs. In the 1940s, the International Trade Organization proposed alongside the Bretton Woods institutions was rejected, leaving the less interventionist GATT alternative for fifty years. Seen in this light, the establishment of the World Trade Organization in 1995 was much more precedent-busting than Bretton Woods itself; it was, after all, the only international economic organization to wield leverage over the economic policies of a hegemon (in this case the United States), and it likely did more to unsettle the global distribution of wealth, after China's ascension in 2001, than any other international body. The history of this radical institution – and what appears, from the vantage point of the mid-2020s to have been its relatively short reign of real power – awaits full treatment.

Intervention in financial problems was easier than in trade for at least two reasons. First, these interventions always occurred in weaker states facing desperate straits, never in great powers. Dealing with trade never had the same kind of existential significance as an emergency bailout for a state facing financial collapse. Second, there were precedents from the nineteenth century for bending the will of debtors to the demands of creditors: the various debt commissions set up in Egypt, China, Greece, and elsewhere. There was no equivalent for questions of tariffs. Quite the opposite: trade policy had always been off limits for international bodies.

There was, it is true, one League body tasked with trade directly, the Economic Committee, which may indeed have had the effect, as scholars like Madeleine Dungy have shown, of shifting norms and rules around trade over the long term – even if it did not enforce meaningful tariff changes in the short term. Perhaps the League exercised a similar kind of "symbolic" power regarding member' policies concerning tax evasion and double taxation, as Woker suggests. In this case, though, the League played a rather minor role in supporting bilateral negotiations. In other words, the power to deal with tax evasion was indirect, and the real action on this front was not in Geneva. The League's Fiscal Committee itself was highly cautious of appearing to interfere in domestic fiscal questions, at times emphasizing that it did little beyond write reports. In the end, it was mostly ineffective in getting the main target of its tax evasion efforts, Switzerland, to deal with the problem, as Christophe Farquet has shown. For these reasons, it's difficult to group its efforts alongside the work of the Financial Committee.

Finally, on the future of global economic governance as the power of the Paris Club of lenders diminishes: the politics of global dept diplomacy is clearly changing, as the number of global creditors and the complexity of their rival claims increase dramatically. The salience of this fact has become clearer since the pandemic, as the combination of daunting debt loads and higher interest rates has left more low and lower-middle income states in debt distress than in recent memory. In the ongoing negotiations over debt restructurings to which recent defaults have led, there are obvious forces of continuity at work: the IMF and private bondholders like Blackrock are still major stakeholders and still generally play by the old rules. But there are also real changes. The most important and obvious one, as Blaise Truong-Loï points out in his introduction, is that China is now the world's largest official creditor. What this means for the future politics of global governance is unclear. Whether or not various global or regional institutions, like the Asian Infrastructure Investment Bank or New Development Bank, achieve leverage as competitors to the Bretton Woods institutions depends, above all, on whether they can muster real resources and function as credible and politically-attractive alternatives.

Regarding climate: environmental issues are clearly in vogue at the Bretton Woods institutions. The extent to which this new focus is meaningfully changing policy, however, is also an open question. One might ask, more broadly, as some have in other reviews of my book, whether a focus on the politics of autonomy has the same urgency today in light of the need for globally-binding measures to address the climate emergency. Even if there were an international body that wielded leverage over climate-related policies, however – which there isn't – its political success would depend on its ability to account for the developmentalist aims of its members and the complex domestic distributional and political tradeoffs that energy transitions invariably necessitate. Absent a "climate leviathan" in other words, the prospect for durable international cooperation will turn on the extent to which it pairs global action with respect for national autonomy. At the time of writing, such cooperation appears less likely than, at best, a kind of beggar-thy-neighbor logic of competitive industrial policy that collectively achieves some progress toward global decarbonization. There is something to be said for this willy-nilly approach, at least in its political realism. But its obvious danger is how much it's fueled by Sino-US military rivalry. This makes a genuinely internationalist politics – as unrealistic as it appears today – as important as ever.

This brings me to Charles Sabel's bold suggestions for new forms of international economic cooperation. Sabel is right to argue that global economic governance has developed as a patchwork of orthodox and heterodox practices and institutions – more so than as a succession of competing regimes with clear temporal boundaries, born or killed at great worldmaking moments like the Bretton Woods conference or in acts of sovereign decision-making, like Nixon's closing of the gold window in 1971. With this point in mind, Sabel does what *The Meddlers*, as a work of history, did not: draw up actual blueprints for future forms of global governance. He outlines an ambitious and creative vision for a kind of green supply chain regulation that achieves buy-in from stakeholders in the Global North and South and that, by working along sectoral lines, achieves meaningful results without sinking into the political quicksand of grand dealmaking among great powers. Looking to build up a patchwork of ad hoc solutions like this is no less visionary than calls for grand bargains in the form of a "new Bretton Woods;" instead, it's a project that takes to heart the messier histories of experimentation, and the long dialectical intertwinement of the old and the new, that is described in *The Meddlers.* As such, it's almost certainly more politically realistic than a politics of nostalgia. Either way, there's nothing more exciting for a historian than to see a careful reading of their work in the service of a real plan for action. Sabel also ends on a note of optimism – which, despite the dour history told in this book, was precisely what it too had hoped, perhaps against hope, to impart.