# US Hegemony and the Limits to Territorial Geopolitics in the Twentieth Century

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Territorial geopolitics, often based in metaphors such as the opposition between land-and sea-powers, has long dominated thinking invoking the word «geopolitics». I critique this approach to geopolitics using the historical example of the United States whose «hegemony» has rested, I argue, on a mode of competition with other states that has been neither entirely territorial not entirely coercive but that has relied on creating and managing global flows of capital and trade that cannot be understood in the terms of «classical» late-nineteenth century geopolitics.

Keywords: geopolitics, hegemony, United States, globalization

Not all Great Powers are alike politically, economically and culturally. The basic idea of this article is that grasping such complexity is vital for understanding world politics and thus that global geopolitics cannot be reduced to deterministic formulae such as that of land – versus sea – powers. More specifically, I focus on the case of the United States as a dominant Great Power and how its historical-geographical particularities have had significant effects on the conduct of twentieth-century world politics as a whole. As I have argued previously at some length, the United States brought into existence the first fully «marketplace society» in history<sup>1</sup>. This is a territorial society in which politics and society operate largely in terms of exchange – rather than use – value. A distinction first made by Adam Smith but developed in various ways by later thinkers such as Karl Marx and Karl Polanyi,

<sup>1</sup> J. Agnew, *Hegemony: The New Shape of Global Power*, Philadelphia, Temple University Press, 2005, Chapter 4.

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STORIA del PENSIERO POLITICO 3/2015, 399-418

it revolves around the idea that social and political relationships can be based predominantly on either their instrumental value (i.e. as if a price could be put on them) or their intrinsic value (i.e. as if they had unique qualities). Previous societies had elements of both, but with the rise of capitalism value-in-exchange increasingly eclipsed valuein-use. Only in the United States, however, were there so few barriers to the spread of exchange value into all areas of life and so many new incentives for acceptance of the market norms that accompanied this. In particular, the nascent country had none of the feudal-monarchical remnants that were important to modern state formation in Europe. In the United States, «the state» was designed by its founders in the late eighteenth century to be the servant of society, in particular its property owners and entrepreneurs, not the instrument for perpetuating aristocratic rule in an increasingly capitalist world economy. The size of the country and the increasing ethnic diversity of its population combined with the peculiarity of its form of statehood, federalist and with divided central institutions, to create material and ideological conditions propitious to exchange value as the basis for all social and political not just economic relationships. So, even as the United States expanded territorially into North America and through trade and investment into the rest of the world, its process of exercising power has been through bringing places to market, both materially and ideologically, rather than simply through coercive control over territory. That has been supplementary if, of course, episodically highly significant in twentieth-century world history.

### The United States from the Perspective of Land-versus Sea-Powers

Yet much scholarly and popular discussion of the US role in the world insists on seeing the United States as either simply just «another state» (albeit a bigger, more powerful one) or as an empire, by stretching the manifestly territorialized meaning of that term to include all manner of non-territorial influence and control. Neither approach is satisfactory. Recently, classical geopolitical arguments have undergone somewhat of a revival in response to the impasse between rival liberal and realist theories of international politics<sup>2</sup>. What seems most attractive in these accounts is one or more of the following: the so-called return of the global geopolitics of resources with the economic rise of China<sup>3</sup>, the pedagogical simplicity of global mapping of seemingly total «opposite» types of political regime<sup>4</sup>, and the appeal to the materiality and spatiality of the earth as a whole implied by the elemental antagonism of land and sea<sup>5</sup>.

In classical geopolitical thought from the early twentieth century. the United States is typically classified as a quintessential sea power because of its off-shore location relative to Eurasia (the geographical centerpiece of all classical geopolitical thought) and thus a potential base for a maritime empire drawing in scattered territories worldwide along the lines of the European seaborne empires such as those of Portugal and Britain. Yet this belies the fact that the simple opposition of sea-and land-powers does not match the case of the United States as a Great Power in any meaningful way. For one thing, given the traditional emphasis of the land-sea opposition on coercive or military power, the military capacity of the United States since its rise to global prominence has always involved the organizational ability to project land forces using sea- and air- power rather than a singular dependence on naval power or «gunboat diplomacy». Moreover, the United States was not born as a «sea faring nation», which is the basic trope behind representing Britain as the quintessential sea- power. In fact, the United States was born as a territorial enterprise involving coast-to-coast settlement of European and African immigrants within a continental framework. Finally, the land-sea opposition, if with obvious origins in ancient Greek struggles between supposedly sea-powered Athens and land-powered Sparta, became popular as a simplification of emerging global struggles for primacy in the con-

<sup>5</sup> Ch.L. Connery, *Ideologies of Land and Sea: Alfred Thayer Mahan, Carl Schmitt, and the Shaping of Global Myth elements*, in «boundary2», 28 (2001), pp. 173-201.

STORIA DEL PENSIERO POLITICO 3/2015

<sup>&</sup>lt;sup>2</sup> Ch. Clover, *Dreams of the Eurasian Heartland*, in «Foreign Affairs», 78 (1999), pp. 9-13; R.D. Kaplan, *The Geography of Chinese Power: How Far Can Beijing Reach on Land and Sea?*, in «Foreign Affairs», 89 (2010), pp. 22-41.

<sup>&</sup>lt;sup>3</sup> K. Gabriel-Oyhamburu, *Le retour d'une géopolitique des ressources?*, in «L'Espace Politique», 12 (2010), pp. 1-19.

<sup>&</sup>lt;sup>4</sup> Ø. Østerud, Review Essay: The Uses and Abuses of Geopolitics, in «Journal of Peace Research», 25 (1988), pp. 191-99.

text of the period from 1875 to 1945 of intense inter-imperial rivalry between established and rising Great Powers. This was before the rise of air- power and the advent of nuclear weapons. More specifically, the present day world is significantly different, above all in its geography of power, from previous epochs. Often labeled as the era of «globalization», this label signals the rise of actors (multinational firms, global NGOs, international institutions, etc.) and processes of development (globalized financial markets, global commodity chains, etc.) that cannot be linked to a single territorial address<sup>6</sup>.

This is a world that the United States has by design and through unintended consequences helped to bring about. If this is an «empire» then it is the only decentered one in history, which I would think makes it something else. For another thing, this world has not been brought about predominantly through direct coercion or by territorial rule but through socio-economic incorporation into practices and routines derivative of or compatible with those first developed in the United States. The best word to describe these processes is «hegemony». This article tries to make the case.

#### Hegemony versus Empire

There has recently been much debate over which of two words – hegemony or empire – best describes the relationship between the United States (more specifically, the US governmental apparatus) and the rest of the world today. Much academic debate is about words and it often seems scholastic and of little practical concern. In this case that is anything but true. The two words offer profoundly different understandings of American power and its contemporary manifestations, not least in terms of how such power can be challenged. Interestingly, in much usage the two terms are not readily distinguished from one another; either way an Almighty America is seen as recasting the world in its image. From this viewpoint, hegemony is simply the relatively unconstrained coercive power exercised by a hegemon

<sup>&</sup>lt;sup>6</sup> Ch. Fettweis, *Revisiting Mackinder and Angell: The Obsolescence of Great Power Geopolitics*, in «Comparative Strategy», 22 (2003), pp. 109-29.

or seat of empire. I want to suggest that this usage is both problematic historically and unhelpful analytically. More specifically, the terms have distinctive etymologies and contemporary meanings in English and other languages that when used analytically can help to give precision to what has happened to US relations with the world at large, for example as a consequence of the 2003-2007 war on and occupation of Iraq. Taken together, they also provide a take-off point for the historical relationship between US hegemony and globalization considered subsequently.

The distinction between hegemony and empire can help today in addressing whether or not securing US hegemony after the end of the Cold War will require increased reliance on seeking empire. In other words, will continued US hegemony depend upon creating an empire somewhat like that ruled by Britain at the end of the 19th century as opposed to continuing to work multilaterally through international institutions and alliances, particularly when US economic troubles raise the possibility of a globalized world order in which the United States is no longer paramount? The hegemony/empire distinction also enables us to see two distinctive impulses within US geopolitics that have historically characterized American national self-images and their projection outwards: what can be called domestic «republic» and foreign «empire». On the one hand, the popular idea that the United States represents a new type of polity and, on the other, that its security as such depends on interventions and influence worldwide including, but not being restricted to, territorial occupation and control.

The US influence has been particularly widespread and potent compared to previous epochs that might be identified with the «hegemony» of other states. Some commentators claim that Britain was more committed to hegemony than the US has been<sup>7</sup>, others that the US has increasingly and successfully substituted coercion for hegemony since the 1970s<sup>8</sup>, and a number that both have been empires for

<sup>&</sup>lt;sup>7</sup> B.J. Silver, G. Arrighi, *Polanyi's 'Double Movement': The Belle Époques of British and U.S. Hegemony Compared*, in «Politics and Society», 31 (2003), pp. 325-55. <sup>8</sup> *Ibidem.* 

which the word 'hegemony' is simply a euphemism<sup>9</sup>. Needless to say, this article argues otherwise.

In the first place, US hegemony has been based on a rejection of territorial limits to its influence, as would necessarily come with empire. In this sense it has been a more ambitious non-territorial enterprise, notwithstanding periods when territorial strategies have been pursued, such as during the Spanish-American War. The United States is not just the latest in a long list of hegemons achieving global «power» and then all behaving the same way. In previous epochs, such as that of British hegemony in the 19<sup>th</sup> century, the influence exerted was much more geographically circumscribed. Indeed, Britain had little or hegemony in Europe. Outside of Europe its empire was central to its enterprise, although there was considerable investment in and trade with the United States, Latin America, and elsewhere as well. The whole world has become America's oyster, so to speak, such that, at least until recently, it has brought even its erstwhile challengers such as Russia and China within its cultural-economic orbit.

Second, American hegemony has been a potent brew of cultural and political-economic doctrines and rules of conduct enforced up to a point but usually the outcome of assent and cooperation more than direct coercion. Except within their empire, think of cricket and tea, and among certain groups of «anglophiles», the British never had anything like the same influence around the world. More importantly, to see the resulting globalization as simply based on coercion is profoundly mistaken. It is the result of the self-mobilization of people around the world into practices, routines, and outlooks which they not only accept but think of as their own. This has been the «genius» of US hegemony: to enroll others in its exercise<sup>10</sup>. But this brew did not simply appear out of thin air once the United States came to use its power resources to make itself a global superpower. It was already brewing domestically in a cultural-political-economic context that has had any number of important historic similarities to the larger world: a history of serious and persistent social and geographical conflicts, a

<sup>9</sup> N. Ferguson, Empire or Hegemony?, in «Foreign Affairs», 82 (2003), pp. 154-61.

<sup>&</sup>lt;sup>10</sup> See on this J.S. Nye, *Soft Power: The Means to Success in World Politics*, New York, Public Affairs, 2004.

system of government founded on the institutional division of power, an industrial-capitalist system that evolved without much central direction or negative regulation, a population of multi-ethnic origins, weak political parties and organized labor, and from the 1890s onwards the first political economy devoted to turning production and consumption into a virtuous circle (under the rubric of Fordism).

#### Globalization and the Current Global Geopolitical Order

The post-Cold War geopolitical order, however, is still organized geographically. No longer is the geographical structure that of US and Soviet blocs and a Third World in which the two central powers competed. Rather, it is that of a profoundly uneven or fragmented global economy with a patchwork or mosaic of local and regional areas connected together through or marginal to the control centers based in the world's major cities and governmental centers. But states are, if anything, even more important to this economic hegemony without centralized political control, to paraphrase Wood<sup>11</sup>, than they were to the Cold War geopolitical order. From this perspective, recent USgovernment actions post-11 September 2001 can be seen as an attempt to re-establish the US as central to contemporary hegemony by using the one resource, military power, in which the US is still supreme. Though the attacks of 11 September can be construed as directed as much at the values and practices of the world economy in general as at the United States per se, the George W. Bush administration chose to see them in a nationalist light. To a significant degree the response was related to the fact that this government was dominated by people with business and political ties to US defense industries as well as to the militarist attitudes of the American South from which it obtained a significant portion of its electoral support. Unfortunately, it is not clear that the US can economically afford to prosecute a war without end on terrorism or its perceived cultural and political opponents without the active cooperation of its previous allies and without

<sup>11</sup> E.M. Wood, *Empire of Capital*, London, Verso, 2003.

sacrificing the very values and interests that its war is supposedly all about. Empires always seem to end up undermining exactly what it was they were initially supposed to sustain. From this perspective, empire is both unsustainable and counterproductive as a strategy for re-securing US hegemony.

States and other actors in world politics are increasingly part of global arrangements that point beyond both US hegemony and US empire. The world economy today is truly global to a degree never seen before in its geographical scope; the pace of transactions between widely-scattered places within it; and its hollowing out of simple territorial forms of political authority across a wide range of issue domains (economic, social, and political). And it has become so in the way it has because of the nature of US hegemony. That hegemony, however, has made itself increasingly redundant. The influence of capital is now mediated through global financial markets, the flow of trade within multinational firms, and the limited capacities of global regulatory institutions. Its benefits and costs now fall on all parts of the world. If they still fall unevenly, the unevenness is no longer on a country-bycountry or bloc-by -bloc basis. Geographical variation in economic growth is increasingly local and regional within countries. But it is not the global that is «new» in globalization so much as there is a changing geographical logic to the world economy. In other words, it is not its «globality» that is new but its combination of global networks and localized territorial fragmentation. Under the «previous» global, the world economy was structured largely (but never entirely) around territorial entities such as states, colonial empires, and geopolitical spheres of influence. The main novelty today is the increasing role in economic prosperity and underdevelopment of cross-border flows in relation to national states and to networks linking cities with one another and their hinterlands and the increased differentiation between localities and regions as a result of the spatial biases built into flownetworks.

Rather than the «end» of geography, therefore, globalization entails its reformulation away from an economic mapping of the world in terms of state territories towards a more complex mosaic of states, regions, global city-regions, and localities differentially integrated into the global economy. There is geopolitics to contemporary globalization, therefore, both with respect to its origins and with respect to its continuing operation. Culturally, the world is also increasingly «creolized» rather than simply Americanized<sup>12</sup>. This is not surprising given the increasing cultural heterogeneity of the United States itself and the need for businesses, be they American, European, or whatever, to adapt their products to different markets at home and abroad. Crucially, for the first time since the eighteenth century the «cradle of capitalism» – Western Europe and the United States – «has as much to fear from the rapidity of change as does the periphery»<sup>13</sup>. More specifically, the most important political change is the dramatic decline in the autonomy of even the most powerful states in the face of the globalization of production, trade, technology, and communication.

State power always has had two aspects to it: despotic power and infrastructural power<sup>14</sup>. If the former refers to the power exerted by socio-economic elites that occupy political office, the latter refers to the power that accrues to the state as such from its delivery of infrastructural or public goods to populations. Historically, the rise in relative importance of infrastructural power, as elites have been forced through political struggles to become more responsive to their populations, led to a territorialization of political authority. Until recently, the technologies for providing public goods have had built-in territorial bias, not least relating to the capture of positive externalities. Increasingly, however, infrastructural power can be deployed across networks that, though sited in discrete locations, are not necessarily areal or territorial in the externality fields that they produce. Thus, currencies, systems of measure, trading networks, educational provision, and welfare services need not be associated with exclusive membership in a conventional nation-state. New deployments of infrastructural power both deterritorialize existing states and reterritorialize membership around cities and hinterlands, regions, and continental-level

<sup>&</sup>lt;sup>12</sup> R. Pells, Not Like Us: How Europeans have Loved, Hated, and Transformed American Culture since World War II, New York, Basic Books, 1997.

<sup>&</sup>lt;sup>13</sup> M. Desai, Marx's Revenge: The Resurgence of Capitalism and the Death of Statist Socialism, London, Verso, 2002, p. 305.

<sup>&</sup>lt;sup>14</sup> M. Mann, *The Autonomous Power of the State*, in «European Journal of Sociology», 25 (1984), pp. 185-213.

political entities such as the European Union<sup>15</sup>. There is a simultaneous scaling-up and scaling-down of the relevant geographical fields of infrastructural power depending on the political economies of scale of different regulatory, productive, and redistributive public goods. Consequently, «... the more economies of scale of dominant goods and assets diverge from the structural scale of the national state – and the more those divergences feed back into each other in complex ways – then the more the authority, legitimacy, policymaking capacity, and policy-implementing effectiveness of the state will be eroded and undermined both within and without»<sup>16</sup>. In the US case this is exacerbated by the difficulties of coordination of purpose and direction within the governmental system.

## US Hegemony and the Roots of Globalization

The story of American hegemony, therefore, is not that of the simple rise of yet another hegemonic state in succession to previous ones but rather the creation of a global economy under American auspices, reflecting the content of a hegemony arising from the development of the United States, and the feedback of this system on the behavior of US governments. In this section I endeavor to show why the later hegemonic strategies of US governments in world politics favoring the «soft» power of assent, cooperation, co-optation, and consensus, even if invariably self-interested and backed up by coercion, grew out of the particularities of American historical experience, especially the divided political institutions and marketplace society that made it distinctive from other states. This does not involve endorsing the exceptionalist claim that the US is not simply different from but better than other places. Rather it is to replace the narrative of hegemony as essentially one Great Power indistinguishable from others substituting for another now in decline, a mechanical model of hegemonic succes-

<sup>&</sup>lt;sup>15</sup> A.J. Scott, *Regions and the World Economy*, Oxford, Oxford University Press, 1998.

<sup>&</sup>lt;sup>16</sup> Ph.G. Cerny, *Globalization and the Changing Logic of Collective Action*, in «International Organization», 49 (1995), p. 621.

sion, with a narrative that gives hegemony distinctive content depending on which state or society exercises it. Globalization is the outcome of the geographical projection of American marketplace society allied to technical advances in communication and transportation. In pursuit of these objectives, I provide a description of the hegemony that emerged from the founding of the United States and how this evolved from providing a propitious context for a national «marketplace society» to one that stimulated the beginnings of what we now know as «globalization» as early as the 1890s. It is in the domestic history of the United States, therefore, that the roots of the US hegemony exercised later around the world can be found.

In this connection, it is a commonplace now to see the genius of the American Constitution of 1787, as expressed most eloquently and persuasively in the writings of James Madison, as tying freedom to «empire». Madison maintained that in place of the British colonial system the best solution for the American rebels would be the creation of a powerful central government that would provide the locus of security for the survival of republican government. The central government would oversee geographical expansion into the continent and this would guarantee an outlet for a growing population that would otherwise invade the rights and property of other citizens. In this way, republican government was tied to an ever-expanding system. Madison had brilliantly reversed the traditional thinking about the relationship between size and freedom. Small was no longer beautiful.

Although couched in the language of political rights and citizenship, the association of freedom with geographical expansion reflected two important economic principles. The first was that expansion of the marketplace is necessary for political and social wellbeing. The second was that economic liberty is by definition the foundation for freedom per se. So, the totally new political system after independence was designed to combine these two principles: the central government guaranteeing the capacity for expansion into the continental interior and into foreign markets and lower-tier government (the states) and the division of powers between the branches of central government restricting the power of government to regulate and limit economic liberty. The American Constitution and early judicial interpretations of it combined these two principles to create a uniquely American version of democratic capitalism. On the one hand the federal government underwrote expansion into the continental interior and stimulated interest in foreign markets for American products but, on the other hand, the federal sub-units (the states) and the division of power between the branches of the federal government (the Congress, the presidency, and the Supreme Court) limited the power of government to regulate private economic activity.

Each of the political-economic principles can be seen as emerging from stories about American «national character» and the model of citizenship offered by the vision of American exceptionalism. Although Americans celebrate some historic occasions, such as Independence Day (the 4<sup>th</sup> of July), and founding documents, such as the Declaration of Independence and the Constitution, they have not had much history to define themselves by. America has been defined not so much by a common history, as most imagined communities of nationhood seem to have<sup>17</sup>. Rather, Americans have defined themselves through a shared geography expressed in the future-facing expansion of the frontier by individual pioneers. The Founding Father, Thomas Jefferson, said he liked «the dreams of the future better than the history of the past».

The founders of the United States could find ready justification for their institutional creation in the timely publication of Adam Smith's *Inquiry into the Nature and Causes of the Wealth of Nations* in 1776. Smith stood in relation to the founding as Keynes was to do to the political economy of the New Deal in the 1930s: a systematizer of an emerging «common sense» for the times. The Constitution is open to contrary interpretations on the relative powers of both federal branches and tiers of government<sup>18</sup>. Down the years, however, the federal level has expanded its powers much more than any of the Founders, including its greatest advocate, Alexander Hamilton, could have foreseen. At the federal level, and reflecting the essential ambi-

<sup>&</sup>lt;sup>17</sup> B. Anderson, *Imagined Communities: Reflections on the Origins and Spread of Nationalism*, London, Verso, 1983.

<sup>&</sup>lt;sup>18</sup> J.M. Lynch, Negotiating the Constitution: The Earliest Debates over Original Intent, Ithaca NY, Cornell University Press, 1999.

guity of the Constitution, the Supreme Court has also come to exert great power through its capacity for interpreting the meaning of the founding document.

As the dominant social group at the time of Independence and for many years thereafter, American farmers rapidly came to see themselves as intimately involved in marketplace relations. Apart from those farmers wresting the forest for subsistence agriculture, by 1815:

a market revolution was surmounting the overland transportation barrier. While dissolving deeply rooted patterns of behavior and belief for competitive effort, it mobilized collective resources through government to fuel growth in countless ways, not least by providing the essential legal, financial, and transport infrastructures. Establishing capitalist hegemony over economy, politics, and culture, the market revolution created ourselves and most of the world we know<sup>19</sup>.

The «culture of the market» thus directly challenged and quickly overwhelmed that of «the land» and opened up localities to longdistance movement. The market revolution of the early nineteenth century, however, had older roots. The commercial outlook of many farmers had its origins in the spatial division of labour organized under British mercantilism, in which they came to serve distant markets rather engage in subsistence agriculture. Much of the basis for American independence lay in the struggle to expand the boundaries for individual economic liberty within a system that was more oriented to a sense of an organic whole: the British Empire. American 'marketplace society,' therefore, was not a pure intellectual production or entirely post-independence in genesis but arose out of an evolving material context in which it served the emerging identity and interests of a dominant social group of capitalist farmers<sup>20</sup>. As the industrial bourgeoisie rose to prominence in the nineteenth century, they inherited the hegemony of marketplace society already in place but expanded it both geographically, into every nook and cranny of the expanding country, and functionally, into every part of everyday life.

<sup>&</sup>lt;sup>19</sup> Ch. Sellers, *The Market Revolution: Jacksonian America, 1815-1846*, New York, Oxford University Press, 1991, p. 5.

<sup>&</sup>lt;sup>20</sup> J. Agnew, *The United States in the World Economy*, Cambridge England, Cambridge University Press, 1987.

John Agnew

The common sense of American society, therefore, is a profoundly marketized one. Everything and everyone has their price. But this does not mean that there has ever been total agreement about how far to push this or whether government is solely its instrument or can be its restrainer. Certainly, the excesses of the marketplace have never been without resistance or challenge from the Age of Jackson in the late 1820s and early 1830s to the present. Indeed, within the broad parameters of marketplace society. American politics has always oscillated between attempts at policing and disciplining the marketplace in the interests of this or that group through the use of governmental power and letting market forces loose from tighter institutional moorings<sup>21</sup>. Generally, it has been during times of economic distress or in response to perceived political threats (internal, as with the Civil War, or external, as with the world wars) that the balance has shifted towards restraint. The two ramshackle political parties that since the Civil War have tied American society to its political institutions, however, both accept the marketplace model but have had shifting attitudes towards managing it. With the exception of the Democratic Party during the 1930s, however, which profoundly increased the federal role in the US economy and society, both parties have tended to shy away from interfering much with the political dominance of private economic interests.

Certainly, by the 1890s the United States had, in the eyes of influential commentators and political leaders from all over the country, fulfilled its 'continental destiny.' The time was propitious, they believed, to launch the United States as a truly world power. One source of this tendency was a concern for internal social order. Not only did the late nineteenth century witness the growth of domestic labor and socialist movements that challenged the pre-eminence of business within American society, it also saw a major period of depression and stagnation, the so-called Long Depression from the 1870s to 1896, in which profit rates declined and unemployment increased. This combination was seen as a volatile cocktail, ready to explode at any moment. Commercial expansion abroad was viewed as a way

<sup>&</sup>lt;sup>21</sup> C. Earle, *The American Way: A Geographical History of Crisis and Recovery*, Lanham MD, Rowman and Littlefield, 2003.

of both building markets and resolving the profits squeeze. Unemployment would decline, popular consumption would increase, and the appeal of subversive politics would decrease. Another source was more immediately ideological. US history had been one of expansion: why should the continent set limits to the «march of freedom»? To Frederick Jackson Turner, the historian who had claimed the internal «frontier» as the source of America's difference with other societies, the United States could only be «itself» (for which one reserved the term «America», even though it applied to the entire continent, not just the part occupied by the United States) if it continued to expand.

The outburst of European colonialism in the late nineteenth century was also of importance in stimulating American designs for expansion beyond continental limits. Home markets were no longer enough for large segments of American manufacturing industry, particularly the emerging monopolies such as, for example, Standard Oil and the Singer Sewing Machine Co. Without following the Europeans the fear was that American firms would be cut out of overseas markets that exercised an increasing spell over the American national imagination, such as China and SE Asia. The difference between the Americans and most of the Europeans, however, was that for the Americans business expansion did not necessarily entail territorial expansion. Guaranteed access was what they craved. Indeed, colonialism in the European tradition was generally seen as neither necessary nor desirable. Not only was it expensive for governments, in many cases it also involved making cultural compromises and deferring to local despots of one sort or another; costs many Americans were not anxious to bear. There was also the difficulty of squaring empire with a national identity that had long had a considerable anti-imperial component<sup>22</sup>.

It took some time for the US to react to the outburst of European imperialism beginning in the 1870s. Indeed, not until the 1890s did the US embark on an explicit imperialist project, as the post-Civil War integration of the US economy concluded and the industrial and agricultural sectors entered recession. Undoubtedly for a time, and as a result of both economic imperatives and the desire to avoid lag-

<sup>&</sup>lt;sup>22</sup> M.A. Heiss, *The Evolution of the Imperial Idea and U.S. National Identity*, in «Diplomatic History», 26 (2002), pp. 511-40.

ging behind the Europeans (and Japanese) in «imperial prestige», US governments did pursue territorial possessions. From around 1910 until the 1940s, however, a reaction against this set in (at least as far as territories outside Latin America are concerned!) with a return to suspicion of territorial expansion. After the Second World War considerations of security and stability in the Cold War with the Soviet Union tended to trump anti-imperialism but now in the context not so much of pursuing American territorial empire as in restricting the development of regimes seen as sympathetic to the Soviet Union: from Iran and Guatemala in the 1950s to Cuba, Chile, Nicaragua, Angola, South Vietnam, and a myriad of other countries later on.

From the 1890s, the American approach to economic expansion tended to favor direct investment rather than portfolio investment and conventional trade. Advantages hitherto specific to the United States in terms of economic concentration and mass markets - the cost-effectiveness of large plants, economies of process, product and market integration - were exportable by large firms as they invested in overseas subsidiaries. For much of the nineteenth century capital exports and trade were what drove the world economy. By 1910, however, a largely new type of expatriate investment was increasingly dominant: the setting up of foreign branches in other industrial countries by firms operating from a home base. US firms were overwhelmingly the most important agents of this new trend. They were laying the groundwork for the globalization of production that has slowly emerged, with the 1930s and 1940s as the unique period of retraction, since then. It is the globalization of production through direct investment and strategic alliances and an allied loosening of financial markets from national-state control that constitute the truly most significant driving forces behind contemporary globalization. The globalization of production has its roots in the American experience of foreign direct investment from the 1890s onwards.

But American expansionism after 1896 was never simply economic. As with hegemony at home, it was also always political and cultural. There was a 'mission' to spread American values and the American ethos as well as to rescue American business from its economic impasse. These were invariably related to one another as parts of a virtuous circle. Spreading American 'values' led to the consumption of American products, American mass culture broke down barriers of class and ethnicity, and undermining these barriers encouraged the further consumption of products made by American businesses. American foreign policy largely followed this course thereafter, with different emphases reflecting the balance of power between different domestic interests and general global conditions: making the world safe for expanding markets and growing investment beyond the borders of the United States. America itself was sold as an idea. Public relations was a quintessential American art form from the start:

American traders would bring better products to greater numbers of people; American investors would assist in the development of native potentialities; American reformers – missionaries and philanthropists – would eradicate barbarous cultures and generate international understanding; American mass culture, bringing entertainment and information to the masses, would homogenize tasks and break down class and geographical barriers. A world open to the benevolence of American influence seemed a world on the path of progress. The three pillars – unrestricted trade and investment, free enterprise, and free flow of cultural exchange – became the intellectual rationale for American expansion<sup>23</sup>.

The movement from a territorialized marketplace society to globalization was based on the prior existence of the «open borders» that characterized the American experiment. Notwithstanding the periodic political pressures to close the national territory to foreign products, people, and capital that emerged into prominence during times of declining firm profitability, rising unemployment, and social upheaval, the general trajectory of American politics from 1890 onwards was towards opening up the national economy in relation to the rest of the world.

This reflected the origins of the United States as a set of settler colonies in which space was open to expansion rather than enclosed in defense of outsiders. Spatial orientations are of particular importance to understanding America, therefore, whether this is with respect to foreign policy or to national identity. It could be argued that a geo-

<sup>&</sup>lt;sup>23</sup> E.S. Rosenberg, *Spreading the American Dream: American Economic and Cultural Expansion*, 1890-1945, New York, Hill and Wang, 1983, p. 37.

graphical imagination is central to all national political cultures. Imagining a coherent territorial entity containing a group of people with a common attachment to that territory has been crucial in the making of all national states. However, if all nations are imagined communities, then America is the imagined community par excellence<sup>24</sup>. The space of «America» was already created in the imaginations of the first European settlers en route to the «New World» as a space of openness and possibility<sup>25</sup>. It was not constructed and corrupted by centuries of history and power struggles as was Europe. Even now, America is a country that is easily seen as both «nowhere» and «pastless», constructed as totally modern and democratic against a European (or some other) «Other» mired in a despotic history and stratified by the tyranny of aristocracy. The ideology of the American Dream, an ideology which stresses that anyone can be successful in acquiring capital and goods given hard work, luck, and unobtrusive government, marks out the American historical experience as unique or exceptional. The dominance of this liberal ideology has meant that America has never had either the revolutionary or reactionary traditions so prevalent in modern Europe. In narrowing the political field, the American liberal tradition protects the goals of the individual against the state and social collectivities<sup>26</sup>.

The mindset of limitless possibility was reinforced by the myth of the frontier experience of individual social mobility, of the energy of a youthful country in contrast to the social stagnation and economic inequality of «old» Europe. Americans were free to set themselves up in the vast expanse of «empty» land available on the frontier, discounting the presence of natives whose self-evident technological and religious «backwardness» justified the expropriation of their land. All settlers were equal on the frontier, so the myth goes, and those who were successful succeeded due to their own hard work, not through any advantage of birth. Clearly there are historiographic problems

<sup>&</sup>lt;sup>24</sup> D. Campbell, Writing Security: United States Foreign Policy and the Politics of Identity, Minneapolis, University of Minnesota Press, 1992.

<sup>&</sup>lt;sup>25</sup> F. Dolan, *Allegories of America: Narratives-Metaphysics-Politics*, Ithaca NY, Cornell University Press, 1994.

<sup>&</sup>lt;sup>26</sup> L. Hartz, *The Liberal Tradition in America*, New York, Harcourt Brace World, 1955.

with this national myth, not least the violent erasure of other people and their pasts that occurred as part of this geographical movement<sup>27</sup>. However, the myth has long remained as a powerful aspect of American culture. The initial presumption was that as long as the frontier continued to expand America would flourish. This mindset remained influential beyond the physical expansion of the US across the continent as «the frontier» was reconfigured around the necessity to expand the «American way» and «American good» beyond American shores, especially in the years following the end of the Second World War when another power (the Soviet Union) offered a competing utopian rendering of political economy. Importantly, the frontier story is not simply an elite construction told to the population at large but one retold and recycled through a variety of cultural forms: most obviously through mass education, but more importantly through the media and in popular culture.

The «frontier» character of the American economy – expanding markets for goods and opportunities for individuals beyond previous limits - figures strongly in the American stimulus to contemporary economic globalization. As I have argued, this is itself tied to a particular cultural image: the ethos of the consumer-citizen. The American position in the Cold War of defending and promulgating this model ran up against the competing Soviet model of the worker-state. The resultant geopolitical order was thus intimately bound up with the expression of American identity. This was spread through ideas of «development», drawing clearly on American experiences, first in such acts as the Marshall Plan to aid the reconstruction of Europe immediately after World War II, and then in the modernization of the «Third World» following the elements of a model of American society pushed most strongly during the short presidency of John Kennedy (1961-62). The Age of High Mass Consumption that President Kennedy (and Johnson) advisor Walt Rostow proclaimed as the end of history, and as such the goal of worldwide US development efforts, was a reflection in the mirror that America held up to the world<sup>28</sup>.

<sup>28</sup> W.W. Rostow, The Stages of Economic Growth: A Non-Communist Manifesto,

<sup>&</sup>lt;sup>27</sup> M.J. Shapiro, *Violent Cartographies: Mapping Cultures of War*, Minneapolis, University of Minnesota Press, 1997.

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Contrary to the transcendental claims of the land-sea power opposition, my selective historical narrative points to how the foundations for globalization and the new geography of power associated with it and crucial to the conduct of world politics over the past seventy years were laid down initially inside the United States in the late nineteenth century. This came to fruition with the rise to Great Power status of the United States after World War II and the capacity of the US to project its political economy into the rest of the world. Thus contemporary globalization undoubtedly does have a geopolitical basis to its origins and in its expansion into the rest of the world, albeit no longer predictably congruent in the benefits it delivers to its place of origin. From this viewpoint, the contemporary global geopolitical order is not best thought of in terms of classical geopolitical motifs such as land- versus sea- powers but must attend to the ways in which hegemony interpellates with empire and how global hegemony develops from prototypes reflecting the institutions and values of dominant Great Powers such that the United States was for much of the twentieth century. However appealing they may be, timeless geopolitical metaphors such as that of land-versus sea-powers offer little purchase on understanding this spatially complex process.

Cambridge England, Cambridge University Press, 1960.