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Roundtable Review 14-19

Fritz Bartel, *The Triumph of Broken Promises: The End of the Cold War and the Rise of Neoliberalism*. Cambridge, MA: Harvard University Press, 2022. ISBN: 9780674976788

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Introduction by Odd Arne Westad, Yale University

Fritz Bartel has written a major contribution to the literature on how and why the Cold War ended. His book may be the most significant reinterpretation of the causes of the collapse of Communism in Europe for more than a decade, even though its reviewers—including those in this roundtable—disagree sharply about what Bartel’s main input is. Some emphasize his understanding of the advances of neoliberalism, others his analysis of the political economies of eastern European Communism. Almost every reviewer disagrees with part of his work. This, in our profession, is in itself a sure sign of the book’s noteworthiness.

Bartel’s central thesis is that the global economic shocks of the 1970s framed both the way the Cold War ended and how neoliberalism rose as an ideology. The key link is how a globalizing capitalist economy—spearheaded by financial capital—forced governments everywhere to impose austerity on their own people in order to get ahead economically or at least live up to their international economic commitments. At the height of the Cold War, governments had competed to expand their social contracts as they promised their people a better life. By the late 1970s, under pressure from energy and finance markets, they were forced to break those promises. Democratic political systems had enough tenacity to survive the resulting popular disenchantment. Communist systems, Bartel argues, did not.

In her review, Emma Ashford therefore points out that “the special sauce [of Western success] was not capitalism, but rather democracy.” It is hard not to agree with this, although Melvyn Leffler stresses that “it was not democracy [by itself] that empowered successful economic change.” Leffler argues that this change often came about by government *fiat* rather than through democratic processes and that neoliberalism, in ideological terms, was an adjustment to capitalist economic realities that had already produced rising inequality and wage stagnation. The cohesion, the center that held, was therefore more systemic than connected to acts of breaking promises, Leffler asserts.

Both Leffler and Niko Letsos emphasize that the challenges and choices were not really the same in the East and the West. The East had a much weaker starting point, as Lorenz Lüthi also points out. Lüthi also disagrees with Bartel about whether “there truly was a world economy two or three decades into the Cold War.” Lüthi argues no, and views Bartel’s argument as conflating the beginning of globalization with what came later. Lüthi and Letsos agree that making the democratic revolutions in eastern Europe in 1989 too dependent on economic issues risks overlooking the yearning for political change that long existed in the Communist dictatorships.

In a critical review, Federico Romero stresses the need for differentiation. “A distant focus on the two blocs—rather than the multiplicity of actors within them,” he argues, “may obscure rather than illuminate the forces at play and their trajectories.” He also joins with Lüthi in pushing Bartel to come clean, or at least cleaner, in evaluating the breaking of promises by leaders in the East and West in the 1980s—“was it bad, or was it good?” Lüthi asks.

In his comprehensive response, Bartel argues that at least “the triumph of broken promises was not as bad as it sounds,” since some of the outcomes helped with the peaceful end to the Cold War. The long-term consequences were, however, tragic since they prefaced what Bartel views as undesirable aftereffects: “The upward redistribution of wealth, the weakening power of organized labor, the hollowing out of spaces for democratic contestation, and the demonization of the democratic state as an architect of social progress, all served no necessary economic function, but have left enormously destructive consequences in their wake.” A big remaining question is whether you could have had one without the other, and, of course, linked to that (as Bartel discusses), whether the overall results were at least in part dependent on overlapping historical contingencies.

This roundtable stands at the beginning of what will be a lively historical debate about Fritz Bartel's contributions to the study of the Cold War. The debate is certain to last for quite some time. That in itself is testimony to the book's importance. As all of the reviewers stress, in spite of—or perhaps because of—their disagreements, *The Triumph of Broken Promises* will be at the center of attention for all future historians of the Cold War and its endings.

Participants:

Fritz Bartel is an Assistant Professor of International Affairs at the George H.W. Bush School of Government and Public Service at Texas A&M University. His book, *The Triumph of Broken Promises: The End of the Cold War and the Rise of Neoliberalism*, was published with Harvard University Press in 2022. It won the 2023 Center for Presidential History Book Prize, and as a dissertation, won the 2018 Oxford University Press USA Dissertation Prize in International History from the Society for Historians of American Foreign Relations (SHAFR). Along with Nuno P. Monteiro, he also co-edited *Before and After the Fall: World Politics and the End of the Cold War* (Cambridge University Press, 2021).

Odd Arne Westad teaches history and global affairs at Yale University. Westad has published sixteen books, most of which deal with twentieth century Asian and global history, including *Cold War and Revolution* (Columbia University Press, 1993), *Decisive Encounters* (Stanford University Press, 2003), *The Global Cold War* (Cambridge University Press, 2012), *Restless Empire* (Basic Books, 2012), and *The Cold War: A World History* (Basic Books, 2017). His new book (with Chen Jian) on China's transformation from revolution to reform will be published in early 2024.

Melvyn P. Leffler is Emeritus Professor at the University of Virginia. He has written two prize-winning books on the Cold War, *A Preponderance of Power* (Stanford University Press, 1992) and *For the Soul of Mankind* (Hill and Wang, 2007). His newest book, *Confronting Saddam Hussein: George W. Bush and the Invasion of Iraq*, was published by Oxford University Press in February 2023.

Emma Ashford is a Senior Fellow with the Reimagining US Grand Strategy program at the Stimson Center, and an adjunct assistant professor in the Security Studies Program at Georgetown University. Her first book, *Oil, the State, and War: The Foreign Policies of Petrostates*, was published by Georgetown University Press in June 2022.

Niko Letsos is a PhD/JD student of history at Northwestern University and the Northwestern Pritzker School of Law, where he is writing a dissertation on international organizations, economic history, and globalization.

Lorenz Lüthi is Professor of History in International Relations at McGill University. His research focuses on the large and cross-continental developments of the Cold War. He published *The Sino-Soviet Split: Cold War in the Communist World* (Princeton: Princeton University Press) in 2008 and *Cold Wars: Asia, the Middle East, Europe* (Cambridge: Cambridge University Press) in 2020. His current research focuses on Berlin in the Cold War.

Federico Romero is Professor of International History at the University of Florence. From 2015 to 2020 he directed the ERC Advanced research project *Looking West: the European Socialist regimes facing pan-European cooperation and the European Community* (PANEUR1970S). Among his most recent publications, Angela Romano and Federico Romero (eds.), *European Socialist Regimes' Fateful Engagement with the West: National Strategies in the long 1970s* (Routledge, 2021); Ulrich Krotz, Kiran Klaus Patel and Federico Romero, eds., *Europe's Cold War Relations. The EC Towards a Global Role* (Bloomsbury, 2019); "Cold War Anti-Communism and the impact of

Communism on the West”, in Norman Naimark, Sophie Quinn-Judge and Silvio Pons, eds., *The Cambridge History of Communism*, Vol. II, edited by (Cambridge University Press, 2017): 291-314; “Cold War Historiography at the Crossroads,” in *Cold War History*, vol.14, no.4, November 2014, 685-703.

Review by Emma Ashford, Stimson Center

It is not that existing accounts of the end of the Cold War are bad. They are often excellent, detailed histories full of rich, archival details.¹ But after reading Fritz Bartel's *The Triumph of Broken Promises*, one must wonder why the genre has focused so heavily on geopolitical factors and so little on the underlying economic forces of the period. Bartel's book provides a fascinating and highly novel account of the end of the Cold War—one which mostly glosses over things like high-level arms control and détente—in favor of political economy.

As Bartel himself puts it, one key “challenge of explaining the end of the Cold War is that it stands out in history for one profound reason: at every step of the way, those in possession of imperial and authoritarian power *willingly* and *peacefully* gave it up” (7). Many histories implicitly attribute this to human agency: the unique conjunction of Soviet leader Mikhail Gorbachev's personality and a time of crisis in the Soviet system. Certainly, economic historians and energy specialists have long known that economic factors played a role in the Soviet collapse.² But Bartel's book marries economics and geopolitics to show that leaders—both in Eastern European capitals and in Moscow—were predisposed by structural shifts to make the curious choices they did in the late 1980s.

The Triumph of Broken Promises makes several interconnected arguments. The first is that it was the ricocheting economic fallout of the 1973 oil crisis on the global economy that forced the leaders of advanced industrialized nations into a period of difficult choices and economic dilemmas that ultimately brought about the end of the Cold War. These states became increasingly dependent over time on either energy resources, or on loans to weather the subsequent economic crisis; when finance or energy dried up, it precipitated a full-blown economic crisis. One particularly notable feature of this process is the increasing dependence of Eastern European members of the Warsaw Pact on Soviet energy subsidies and on loans from Western banks to sustain their domestic economies. In highlighting this, Bartel puts the lie to the idea that the Cold War was fought between two autarkic economic blocks; in fact, by the late Cold War, East and West were intrinsically linked in a global economic system.

The second—and perhaps more controversial argument—is that the reason the West ‘won’ the Cold War is not the triumph of military might or of capitalist economic growth, nor is it the failure of Communism as a mode of economic governance. Instead, both the Western and Soviet blocs faced comparable domestic crises caused by the inability to sustain their economic systems under the challenging economic conditions of the 1970s and 1980s. Bartel argues that democracies were simply better suited than Communist states to enforce

¹ For some relevant works, see: Hal Brands, *Making the Unipolar Moment: U.S. Foreign Policy and the Rise of the Post-Cold War Order* (Ithaca: Cornell University Press, 2016); Peter Schweizer, *Victory: The Reagan Administration's Secret Strategy That Hastened the Collapse of the Soviet Union*, first ed. (New York: Atlantic Monthly Press, 1994); Jeffrey A. Engel, *When the World Seemed New: George H.W. Bush and the End of the Cold War*, First Mariner Books edition (Boston New York: Mariner Books/Houghton Mifflin Harcourt, 2018); Melvyn P. Leffler, *For the Soul of Mankind: The United States, the Soviet Union, and the Cold War*, 1. paperback ed (New York: Hill and Wang, 2008); Robert Service, *The End of the Cold War, 1985-1991* (New York, NY: PublicAffairs, 2015); James Graham Wilson, *The Triumph of Improvisation: Gorbachev's Adaptability, Reagan's Engagement, and the End of the Cold War* (Ithaca, NY: Cornell University Press, 2014); Joshua R. Itzkowitz Shiffrin, *Rising Titans, Falling Giants: How Great Powers Exploit Power Shifts*, Cornell Studies in Security Affairs (Ithaca: Cornell University Press, 2018).

² Daniel Yergin, *The Prize: The Epic Quest for Oil, Money & Power*, Free Press trade pbk. ed (New York: Free Press, 2008); D. S. Painter, “Oil and the American Century,” *Journal of American History* 99, no. 1 (June 1, 2012): 24–39, <https://doi.org/10.1093/jahist/jas073>; Anders Åslund, *Gorbachev's Struggle for Economic Reform*, Updated and expanded ed, Studies in Soviet History and Society (Ithaca, N.Y: Cornell University Press, 1991); Stephen Kotkin, *Armageddon Averted: The Soviet Collapse, 1970-2000*, Updated ed (Oxford New York: Oxford University Press, 2008); Thane Gustafson, *Crisis amid Plenty: The Politics of Soviet Energy under Brezhnev and Gorbachev*, Course Book (Princeton, NJ: Princeton University Press, 2014); Clifford G. Gaddy, *The Price of the Past: Russia's Struggle with the Legacy of a Militarized Economy* (Washington, D.C: Brookings Institution, 1996).

the discipline needed to weather those crises, thanks to electoral legitimacy and the ability of political leaders to adopt and sell the new narratives of neoliberalism. As he puts it: “democratic capitalism prevailed because it proved capable of imposing economic discipline on its own citizens. Communism collapsed because it could not” (19).

This argument is counterintuitive, particularly for those who have spent time studying the politics of post-Communist economic transition in Eastern Europe. Here, the standard fear among policymakers was that democracy would inhibit the transition to capitalism.³ Indeed, this is a broader assumption that we find often in global politics: democratic leaders must find it harder than autocrats to impose economic or political hardships on their populations.⁴ If citizens can simply vote a leader out at the next election—the logic runs—then politicians will be wary of making even necessary policy changes.

But Bartel’s work suggests an alternative: that when it eventually becomes obvious to all that hard choices must be made, democracy can instead permit leaders a legitimizing mandate from voters that enables them to impose those harsh choices on society at large. In an autocracy, there is no comparable way to legitimize reform. Perhaps more importantly, this thesis also suggests that a re-reading of the commonly held wisdom about the Cold War is needed: it is often said that democratic capitalism won the Cold War, with the emphasis on capitalism.⁵ But Bartel is effectively making the case that the special sauce was not capitalism, but rather democracy. Western governments triumphed through their ability to respond to crises flexibly and legitimately.

The book is also full of little insights garnered from archival research that suggest Cold War leaders viewed things somewhat differently than we—with our rose-tinted post-Cold War glasses—currently do. For one thing, there is the use of the term *perestroika*. We all know that it means ‘restructuring’ or ‘rebuilding’ in Russian. But Bartel highlights that it was not a new term coined or surfaced by Gorbachev, but rather the standard term used by Russian policymakers to refer to any economic restructuring, including International Monetary Fund (IMF) loan conditionality and Western economic reforms. It is a simple, linguistic nuance that nonetheless highlights that actors at the time may have seen more similarities between Western and Soviet economic travails than is commonly assumed.

The book’s chapter comparing Poland and the United Kingdom is particularly fascinating in this light, and in many ways reframes our understanding of Solidarity’s role. Lech Walesa and his Polish trade union movement became pro-democracy heroes in the aftermath of the Cold War, rising up against an unjust government. Certainly, no one could deny that the Polish Communist government was repressive and evil. But it is notable that Solidarity’s demands and reliance on industrial action to prevent economic reform were, in practice, quite similar to the demands and tactics of Britain’s trade unions during the same period. Yet

³ Joel S. Hellman, “Winners Take All: The Politics of Partial Reform in Postcommunist Transitions,” *World Politics* 50, no. 2 (January 1998): 203–34, <https://doi.org/10.1017/S0043887100008091>.

⁴ There is an extensive set of literatures comparing the benefits and flaws of democracies and autocracies that touch upon this question, including work on the so-called “Democratic Peace,” great power competition, and economic development and liberalization. For some examples, see: Edward D. Mansfield and Jack Snyder, “Democratic Transitions, Institutional Strength, and War,” *International Organization* 56, no. 2 (2002): 297–337, <https://doi.org/10.1162/002081802320005496>; Bruce Bueno de Mesquita et al., “An Institutional Explanation of the Democratic Peace,” *American Political Science Review* 93, no. 4 (December 1999): 791–807, <https://doi.org/10.2307/2586113>; Amy Pond, “Financial Liberalization: Stable Autocracies and Constrained Democracies,” *Comparative Political Studies* 51, no. 1 (January 2018): 105–35, <https://doi.org/10.1177/0010414017695333>; Peter Burnell, “Autocratic Opening to Democracy: Why Legitimacy Matters,” *Third World Quarterly* 27, no. 4 (May 2006): 545–62, <https://doi.org/10.1080/01436590600720710>; Minxin Pei, *China’s Trapped Transition: The Limits of Developmental Autocracy* (Cambridge, Mass: Harvard University Press, 2006); Matthew Kroenig, *The Return of Great Power Rivalry: Democracy versus Autocracy from the Ancient World to the U.S. and China*, 2020.

⁵ The more scholarly version of this hypothesis can be found in Odd Arne Westad, *The Cold War: A World History*, First edition (New York: Basic Books, 2017).

Western memory exalts one as the triumph of ‘people power’ over an unjust state, and the other as a dead end of history that Prime Minister Margaret Thatcher was justified in crushing.

That same contemporary lens really emphasizes the ways that actors at the time centered economics in their own understandings of geopolitics in a way that we have in retrospect failed to emphasize. The centrality of oil and debt in the politics of the 1980s was constantly on the minds of policymakers, for example. The importance of private entities in helping to determine the economic stability of states was another factor that was well known to policymakers during that period and that has become less obvious in retrospect. As Bartel describes, “Every government that lived on credit after the oil crisis—which, as we have seen, was most of them—was beholden to the twin masters of global capital and their own people, and this set distinct limits on the domestic policies they could pursue” (345).

There are a few places where the book falls short. For one thing, it is hard to overstate how much the book feels like the second half of a two-part series. The book opens with the 1973 oil crisis and its effects but treats everything prior to 1973 as a pre-existing condition. In one way, this is an entirely unjust complaint; after all, it is hard enough to fit an economic history of half of the Cold War in a single book! But there is a theoretical quibble here: the oil crisis was itself partly endogenous to the end of colonialism,⁶ but also partly a direct result of Cold War struggles.⁷ The Yom Kippur war, which was the direct cause of the crisis, was itself a US-Soviet proxy war.⁸ There was an endogeneity to some of the economic factors at work here; the ways in which geopolitics and economics can be mutually reinforcing deserves further scrutiny.

One could also make this complaint more broadly: the book focuses on political economy within states, and sometimes marginalizes the role of geopolitical shocks in driving economic crises, such as the Soviet invasion of Afghanistan, which helped to precipitate the Eastern European debt crisis. The book also largely ignores the classic late-cold war genre of arms control and high-level summitry, which was instrumental in lowering tensions between the two blocs, even prior to the economic collapse.⁹ Indeed, one might argue that Bartel’s book is an excellent history of the sources of the Soviet collapse, and of the democratization of Eastern Europe, but it does not necessarily provide a compelling explanation for the end of the Cold War itself. At the end of the day, however, this is a minor complaint given the overwhelming focus in the rest of the literature on these geopolitical and high-politics topics.

One final quibble concerns Bartel’s definition of neoliberalism. As he writes in the book’s opening pages: “I define neoliberalism as a political ideology that uses markets to increase the free flow of goods and capital across state borders, increase inequality within nation states, and limit the state’s role in the provision of economic and social security for its citizens” (3). Neoliberalism is undoubtedly a term which is subject to a

⁶ Yergin, *The Prize*; David S. Painter, “Oil and Geopolitics: The Oil Crises of the 1970s and the Cold War,” *Historical Social Research / Historische Sozialforschung* 39, no. 4 (150) (2014): 186–208; Jeff Colgan, *Partial Hegemony: Oil Politics and International Order*, 1st Edition (New York: Oxford University Press, 2021).

⁷ Robert Vitalis, *Oilcraft: The Haunting of U.S. Grand Strategy in the Gulf* (Stanford, California: Stanford University Press, 2020); Yergin, *The Prize*; Rüdiger Graf, “Making Use of the ‘Oil Weapon’: Western Industrialized Countries and Arab Petropolitics in 1973-1974: Making Use of the ‘Oil Weapon,’” *Diplomatic History* 36, no. 1 (January 2012): 185–208, <https://doi.org/10.1111/j.1467-7709.2011.01014.x>; Roy Licklider, “The Power of Oil: The Arab Oil Weapon and the Netherlands, the United Kingdom, Canada, Japan, and the United States,” *International Studies Quarterly* 32, no. 2 (June 1988): 205, <https://doi.org/10.2307/2600627>.

⁸ Abraham Rabinovich, *The Yom Kippur War: The Epic Encounter That Transformed the Middle East*, Revised and updated paperback edition (New York: Schocken Books, 2017); Viktor Israelyan, *On the Battlefields of the Cold War: A Soviet Ambassador’s Confession* (University Park: Pennsylvania State University Press, 2003).

⁹ Kenneth L. Adelman, *Reagan at Reykjavik: Forty-Eight Hours That Ended the Cold War*, 1st ed (New York, NY: Broadside Books, 2014); Jack F. Matlock, *Reagan and Gorbachev: How the Cold War Ended*, (New York: Random House, 2005); Kristina Spohr and David Reynolds, eds., *Transcending the Cold War: Summits, Statecraft, and the Dissolution of Bipolarity in Europe, 1970-1990*, First edition (Oxford, United Kingdom: Oxford University Press, 2016); Wilson, *The Triumph of Improvisation*.

wide-range of interpretations, though most definitions center deregulation, market efficiency, and lowering trade barriers.¹⁰ Bartel, however, appears to conflate neoliberalism’s ideological foundations with its practical impact. Few economic liberals have argued that neoliberalism *aimed* to increase inequality within states, even if that was often the result. This definition thus feels a little pejorative: less descriptive and more dismissive.

But these concerns do not detract from the overall value of the book. Indeed, in reintroducing economic factors into our understanding of past competition between the great powers, Bartel’s book has clear relevance for today’s policymakers. It suggests that the United States did not ‘win’ the Cold War in the ways commonly assumed—the Reagan military buildup, the strength of mass protests in Eastern Europe—but rather through the resilience of Western systems of governance that allowed them to adapt to crises. This suggests that approaches to China which emphasize arms racing and the importance of liberal values may be off the mark. Meanwhile, the book highlights that the description of the Cold War as a period of autarky between the United States and USSR—which often used to argue in favor of aggressive decoupling from China¹¹—is simply inaccurate.

At a deeper level, the book also offers lessons for policymakers in how not to repeat Soviet mistakes. Bartel shows that for the last decade of their tenure, Soviet leaders were placed in an impossible dilemma: save their ideological empire by shoring up Eastern Europe or save the USSR itself from economic ruin. It was not ideology that ended up driving a wedge between the USSR and its Warsaw Pact allies, but economics. The United States may be in a passable position vis-à-vis China when it comes to energy and finance, but there are growing economic tensions between it and many of its allies and partners. Can the United States prevent these tensions from spiraling into a larger wedge? Is the United States still as flexible as it was during the Cold War? Is democracy in America increasingly viewed as illiberal? Bartel’s book suggests potential problems ahead for America’s pursuit of great power competition with China, and that policymakers need to be far more thoughtful about the ways they draw lessons from the Cold War.

¹⁰ Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Cambridge, Massachusetts: Harvard University Press, 2018); Sam Bowman, “Coming out as Neoliberals,” Adam Smith Institute, 2017, <https://www.adamsmith.org/blog/coming-out-as-neoliberals>.

¹¹ Henry Farrell and Abraham Newman, “The Folly of Decoupling From China,” *Foreign Affairs*, September 18, 2020, <https://www.foreignaffairs.com/articles/china/2020-06-03/folly-decoupling-china>; Chad Bown, “Four Years into the Trade War, Are the US and China Decoupling? | PIIE” (Peterson Institute for International Economics, October 20, 2022), <https://www.piie.com/blogs/realtime-economics/four-years-trade-war-are-us-and-china-decoupling>; Jon Bateman, “U.S.-China Technological ‘Decoupling’: A Strategy and Policy Framework” (Carnegie Endowment for International Peace, April 25, 2022), <https://carnegieendowment.org/2022/04/25/u.s.-china-technological-decoupling-strategy-and-policy-framework-pub-86897>; Rajan Menon and Jeffrey Kucik, “Can the United States Really Decouple From China?,” *Foreign Policy*, January 11, 2022, <https://foreignpolicy.com/2022/01/11/us-china-economic-decoupling-trump-biden/>.

Review by Melvyn P. Leffler, Emeritus University of Virginia

Fritz Bartel has written a provocative, incisive, and lucid account of the end of the Cold War and the onset of neoliberalism. He begins with an essential premise: the Cold War was about two different versions of “industrial modernity” in which Communist and capitalist governments competed with one another over “their ability to provide a bountiful and equitable distribution” of the “good life” (4). The competition was upended in the 1970s by economic disarray, energy shocks, and financial turmoil. Governments, East and West, no longer could meet the promises they had made to their citizens and had to recalibrate. “The Cold War,” Bartel emphasizes, “began as a race to *make* promises, but it ended as a race to *break* promises” (5).

Facing stagflation—slowing growth and rising prices—Western governments, like those in London and Washington, Bartel stresses, embraced neoliberalism to justify their campaign against labor, embrace of finance capital, and severance of social contracts. They had a distinct advantage over their counterparts in the East, Bartel argues, because “electoral democracy made governments in the West more adept at breaking promises than the authoritarian governments of the East” (334). Stunningly, he shows that Communist governments in Poland, Hungary, and East Germany came to believe that the only way they could gain time and capital to transform their economies was by ending their monopoly of political power. They could “compensate for the unpopularity of austerity,” which they could not escape, by embracing “political liberalization” (246, 344).

Bartel’s analysis of the end of the Cold War and the rise of neoliberalism stresses the importance of “economic causes—oil, finance, and economic discipline” (335). His account begins with an examination of the repercussions of the energy crises of the early and late 1970s. Oil prices skyrocketed, placing a huge burden on Eastern European governments which were dependent on imports of fuel from the Soviet Union. Kremlin leaders grasped that the real cost of subsidizing their minions in Warsaw, Budapest, and elsewhere would escalate if they did not raise prices and take advantage of their immense oil reserves. Slowly, they raised prices, forcing Communist leaders in Poland, Hungary, East Germany and elsewhere to grapple with excruciating choices regarding the means of paying for their indispensable imports of oil and gas. They did not want to allow prices to rise or living standards to fall. They feared societal disruption and political ferment. Rather than tackling fundamental problems and readjusting social contracts, they chose to borrow money from Western bankers and governments and postpone structural changes in their economies.

Huge amounts of capital were now flowing from oil producing nations in the global south into the investment houses of London, Frankfurt, and New York. In turn, these bankers were eager to loan to East European governments whose credit-standing was high. Borrowed money allowed Communist leaders in Eastern Europe to postpone radical change, but they could not escape the long-term need for economic discipline and austerity. When circumstances changed in the mid-1980s—when oil prices plummeted, when the Kremlin no longer could afford subsidies at any level, when bankers grew wary of their borrowers’ soaring indebtedness—Communist leaders in Warsaw, Budapest, and East Berlin realized that they could no longer sustain the social contracts and subsidized prices for food, housing and other necessities. They had to convince their citizens to accept radical change and a harsh contraction in their living standards. They believed they could do so only by relinquishing their control of the political process and garnering society’s buy-in for the pain and economic discipline that was inevitable. “Implementing economic discipline in a political system with no popular legitimacy was a recipe for national revolution,” Bartel argues (94).

Bartel describes this process in excellent chapters dealing with Poland, Hungary, and East Germany. He shows how world market forces inexorably drove these governments into the hands of Western bankers and governments who “bailed them out of their financial distress” (137). He emphasizes that these bailouts “signaled a dramatic shift in the Cold War balance of power...from the early 1980s onward, the region came to rest under the economic umbrella of the West. From that point on it was Western governments and

institutions rather than the Soviet Union that provided decisive economic aid to the region...[and who could] force the communist leaders of Eastern Europe to confront the politics of breaking promises” (137, 234).

In the mid-1980s, writes Bartel, Soviet leader Mikhail Gorbachev faced similar economic challenges and had to grapple with the prospect of breaking promises to his own people. Stagnating economic circumstances forced new thinking at home and abroad. Perestroika and glasnost were complementary efforts to catalyze economic reform without repudiating promises to preserve jobs, security, and higher standards of living. Gorbachev’s friend and adviser, Alexander Yakovlev, explained that “democracy is discipline...and the development of self-discipline.” Initiatives to democratize, Yakovlev postulated, would enhance Gorbachev’s power and inspire public support for the changes he wanted to make. “If democracy made enterprise managers, local party bosses, and eventually the entire government and party leadership accountable to the population, public scrutiny would coerce these authorities into implementing economic reform...the economic discipline of the marketplace would chasten the Soviet social contract, and the economy would be relaunched on the long-term path of intensive growth” (186-87). In other words, Gorbachev, too, was inspired by inexorable market forces. He hoped to harness them for economic growth without inflicting too much pain on citizens of the USSR. But he failed to do so because of his socialist convictions and his wariness of his people’s readiness to accept the short-term sacrifices that inhered in market reforms.

Although Gorbachev’s domestic reforms failed miserably, Bartel emphasizes that his foreign policies were designed to enhance their prospects of success: “His foreign policy was meant to serve his domestic plans, which required a de-escalation of the Cold War, a scaling back of the nuclear arms race, and a retreat from the burdens of empire” (177). Bartel shows that when the crunch came in the fall of 1989 Gorbachev chose to “prioritize the domestic Soviet economy and the well-being of the Soviet people over the maintenance of the empire” (308). He did not intervene militarily in Eastern Europe and he accepted the unification of Germany inside NATO because he desperately needed West German financial aid and yearned for American credits and markets—all of which would vanish if he used force to maintain his empire. So “he chose retreat over discipline” (318).

Gorbachev’s failure to revitalize the Soviet economy, Bartel stresses, contrasted sharply with the success of Western leaders like British Prime Minister Margaret Thatcher and President Ronald Reagan. Unlike Kremlin leaders, they were willing, even eager, Bartel claims, to make changes and sever promises. They wanted to liberate their economies from too much governmental regulation. They also wanted to beat back labor unions, curtail the welfare state, lower taxes, and catalyze new forms of entrepreneurship. Most importantly, they had the support of the British and American people who yearned for change after a decade of stagflation. In the United States, for example, white working class partisans of Democratic Party were now ready to give Reagan’s free market, antigovernment conservatism a chance to demonstrate its bona fides. Neoliberalism “provided ideological justification for acts of breaking promises; it made a virtue out of the economic discipline” (333).

Although tax cuts did not yield balanced budgets and supply-side economics did not generate government revenues to pay for Reagan’s defense spending, capital from abroad poured into the United States. The high interest rates championed by Chairman Paul Volcker and the Federal Reserve Board were intended to stifle inflation. But they also served to pay for Reagan’s deficits, sustain the welfare state, and empower the United States to gain unprecedented financial and military leverage over its adversaries. And American bankers did not hesitate to employ that leverage in the late 1980s. They forced their Communist adversaries to accept economic discipline, East European governments to relinquish power, and the Kremlin to abandon its empire.

Bartel's book builds upon the works of Daniel Sargent, Hal Brands, and Michael DeGroot and borrows important themes from Odd Arne Westad, Charlie Maier, Stephen Kotkin, and myself, among others.¹ His analysis is compelling because he so rigorously highlights the role of economic factors, market forces, and financial power. He recasts the Cold War as a struggle to win the hearts, minds, and stomachs of humankind rather than a contest of Great Powers to maximize security and garner geopolitical ascendancy. And in so doing he illuminates a clear passageway from the Cold War to the neoliberal political order that followed.

Yet there are weaknesses and ambiguities in his analysis. His “two most adventurous claims” will be debated for a long time: “that electoral democracies made governments in the West more adept at breaking promises than the authoritarian governments of the East and that the economic problems and solutions of the West and the East were fundamentally similar” (334). Let's ponder these assertions: Were the challenges and choices really the same in the East and the West? Did the West really race to break promises? Was it electoral democracy that made Western powers more adept at managing economic change?

Bartel overstates when he argues that transforming command to market economies in the Communist world was ‘the same’ as recalibrating the relationship of the state to the market, which was what was happening in the West.² Nor is it clear, even in Bartel's account, that governments in the East and the West were ‘racing’ to break promises. In fact, much of his account highlights the efforts of Communist leaders to “lessen the severity of breaking promises at home or avoid breaking promises altogether” (337). In the West, moreover, governments did not ‘race’ to break their social contracts. In West Germany, France, Italy, and Japan—countries Bartel says little about—social expenditures as a percentage of GDP did not drop during the 1970s and 1980s; and in 1989 the European Community's Social Charter underscored a continuing commitment to protecting the social contract. In fact, social protection as a percentage of GDP inside EC countries reached a peak in 1993. Even in Britain and the United States, the Thatcher and Reagan governments did not reverse welfare spending despite all the rhetoric to the contrary.³

It was not democracy that empowered successful economic change. Gorbachev, in fact, found that glasnost made change all the more difficult, a conclusion that leaders in Beijing were mightily aware of as they embarked on their own reform trajectory. What enabled the United States and Great Britain to appear ‘adept’ stemmed from their ability to attract financial resources from around the globe, or in the case of Britain from North Sea oil revenues, to pay for guns and butter.⁴ Bartel himself recognizes the importance of these developments when he writes at the end of the book that neoliberalism arose as nation states depended on finance capital “to fulfill [not sever] their social contracts” (345). In other words, neither Americans nor the British wanted the state to break its promises. They wanted their governments to recalibrate their relationship to the market in order to wage the Cold War more successfully and to free individuals from a state that many citizens believed had become too intrusive. White working class Americans, for example, were not voting to

¹ Daniel Sargent, *A Superpower Transformed: The Remaking of American Foreign Relations in the 1970s* (New York: Oxford University Press, 2015); Hal Brands, *Making the Unipolar Moment: US Foreign Policy and the Rise of the Post-Cold War* (Ithaca, NY: Cornell University Press, 2015); Michael De Groot, “The Soviet Union, CMEA, and the Energy Crisis of the 1970s,” *Cold War Studies*, 22 (Fall 2020), 4-30; Michael De Groot, “Global Reaganomics: Budget Deficits, Capital Flows, and the International Economy,” in *The Reagan Moment: America and the World in the 1980s*, edited by Jonathan R. Hunt and Simon Miles (New York: Cornell University Press, 2021), 84-102; Odd Arne Westad, *The Global Cold War* (New York: Cambridge University Press, 2005); Odd Arne Westad, *The Cold War: a World History* (New York: Basic Books, 2017); Stephen Kotkin, “The Kiss of Debt,” in *The Shock of the Global: The 1970s in Perspective*, ed. by Niall Ferguson, et. al. (Cambridge, MA: Harvard University Press, 2010), 80-96; Charles Maier, “The Collapse of Communism: Approaches for a Future History,” *History Workshop*, no. 31 (Spring 1991), 34-59; Melvyn P. Leffler, *For the Soul of Mankind: the United States, the Soviet Union, and the Cold War* (New York: Hill & Wang, 2007).

² Leffler, “Victory: The ‘State,’ the ‘West,’ and the Cold War,” in *Safeguarding Democratic Capitalism: U.S. Foreign Policy and National Security, 1920-2015*, edited by Melvyn P. Leffler (Princeton, NJ: Princeton University Press, 2017), 221-42.

³ Leffler, “Victory,” 233-42.

⁴ The importance of North Sea oil was emphasized to me by David Painter.

end Social Security or Medicare when they supported Reagan. They wanted the state to stop promoting racial equality and interfering with their cultural and religious traditions, but they were not seeking to de-industrialize their communities or to hand their government to financial overlords.

Neoliberalism evolved as the Cold War ended. It did provide ideological justification for globalization, rising inequality, and wage stagnation—developments that Bartel conflates with acts of breaking promises. But neoliberalism consolidated itself as a new political order precisely because the collapse of Communism mitigated the imperative for class compromise. The specter of Communism had impelled conservatives in the 1940s and 1950s to accept a new role for the state in the economy and a new position for labor in society. Communism’s demise terminated the need for compromise and accommodation.⁵ Bartel’s book offers a lucid interpretation of this transition in the West, and more compellingly explains the peaceful end of communism in the East.

⁵ Gary Gerstle, *The Rise and Fall of the Neoliberal Order: America and the World in the Free Market Era* (New York: Oxford University Press, 2022).

Review by Niko Letsos, Northwestern University

Fritz Bartel's *The Triumph of Broken Promises: The End of the Cold War and the Rise of Neoliberalism* ought to become a seminal book for several reasons. Bartel offers a sophisticated and fresh analysis of the countries most involved in the Cold War's ending. West Germany, East Germany, Poland, Hungary, the Soviet Union, Great Britain, and the United States each get substantial parts of one or more chapters. And these are not superficial features. Bartel has read widely, masterfully synthesizes existing accounts of each country's role, and uses his impressive linguistic abilities to uncover vital archival sources. One of Bartel's most remarkable accomplishments is that the chapter on Hungary, for example, is not just of interest to those studying Cold Warriors or Slavists. It has much to offer to anyone interested in the functioning of the global economy and alliance systems. The book will be essential for scholars who are interested in the last half-century of international history.

Bartel works on such a broad canvas because he argues that there was much similarity between each country's domestic politicking about economic prospects and that this similarity shaped the Cold War's outcome. Historians have ignored this, and *Triumph* is here to fill that void. "Scholars of the end of the Cold War have produced three decades of insightful scholarship, but they have generally given short shrift to the role of the global economy in causing the Cold War's demise," Bartel writes in the introduction while nodding to Charles Maier and Stephen Kotkin as notable exceptions (3, 350).¹ The book's argument relies on the duality of governments having made ever grander socioeconomic promises from the 1940s–1970s and then having to break such promises as the harsh terms of the global economy pressed down equally on every country from the 1970s onward. Bartel's inventive framework parallels the work of historians who have studied the limits to growth, the rise of conservatism, and the end of the postwar boom while being more ambitious.² Rather than centering his history on the 1970s, Bartel sees the early-to mid-1980s as the decisive period. The Volcker Shock's high interest rates, the 'superdollar,' unstable energy prices, and the expanding 'Sovereign Debt Crisis' of the 1980s all modulated the 1970s' shock of the global. Bartel contends that the effects of these shocks on the domestic promises of the countries he examines ended the Cold War. Promises made by governments to the people they governed formed the basis for legitimacy. If that legitimacy is undermined, not only can a state no longer wage a struggle like the Cold War, it is likely to be swept away by popular movements.

In this account neoliberalism plays the leading role in causing a state to break promises. The ideology represents a world-historical development in *Triumph's* framework because it provided the political fortitude and rationale that leaders needed to embrace 'economic discipline.' Bartel defines neoliberalism as a "political ideology that uses markets to increase the free flow of goods and capital across state borders, increase inequality within nation-states, and limit the state's role in the provision of economic and social security for its citizens" (3). Considering how often the analysis of neoliberalism leads to fuzzy writing, Bartel is brave in committing to such a simple definition. He does not, however, escape all the pitfalls writers run into when they use this loaded term.³ The definition gestures towards an ideal type of neoliberalism but, as will be discussed below, is too often applied literally. I would have appreciated a more restrained use of the

¹ Bartel cites to Charles S. Maier, "The Collapse of Communism: Approaches for a Future History," *History Workshop*, no. 31 (Spring 1991), 34–59, and Stephen Kotkin, "The Kiss of Debt," in Niall Ferguson, Charles S. Maier, Erez Manela, and Daniel J. Sargent, *The Shock of the Global: The 1970s in Perspective* (Cambridge, MA: Harvard University Press, 2010), 80–96.

² See, for example, Mark Blyth, *Austerity: The History of a Dangerous Idea* (New York, NY: Oxford University Press, 2013); Jefferson Cowie, *The Great Exception: The New Deal and the Limits of American Politics* (Princeton, NJ: Princeton University Press, 2017); Lily Geismer, *Don't Blame Us: Suburban Liberals and the Transformation of the Democratic Party* (Princeton, MA: Princeton University Press, 2017); and Ian Kershaw, *The Global Age Europe, 1950–2017* (New York, NY: Penguin, 2019).

³ See Rajesh Venugopal, "Neoliberalism as Concept," *Economy and Society* 44, no. 2 (2015).

definition. Nevertheless, it is an elegant use of neoliberalism that can serve as a productive template for historians to build on.

Because it became the dominant paradigm for domestic decisionmakers in NATO and Warsaw Pact countries alike, neoliberalism is the organizing principle in Bartel's diplomatic history. "The collapse of communism and the rise of neoliberalism were thus two sides of the same ideological coin," Bartel argues, "the coin that governments use to justify the role they choose in mediating the relationship between their citizens and the economy" (347). Soviet and Soviet-aligned leaders could not replicate the Western leaders' success in instituting neoliberal policies, the argument goes. Countries like the US, the UK, and West Germany abandoned their midcentury economic models and the associated promises like full employment. They were on the road to the financialized, relatively hollowed-out places they are today. Soviet leader Mikhail Gorbachev recognized the policies of British Prime Minister Margaret Thatcher as "carrying out a perestroika" in Britain (13). He took inspiration from Thatcher's reforms and similar austerity-promoting policies, but Gorbachev and his Warsaw Pact allies could not execute the Iron Lady's playbook.

Bartel's question as to why could capitalist leaders act neoliberally while communist leaders could not in the 1980s is an innovative contribution to the field. While the book has many strengths in setting up this core question and is a joy to read, due to the nonstop run of fantastic archival finds and comparisons, Bartel's answers to his question are debatable on two grounds. The first issue is that although Communism collapsed, it is not as clear that neoliberalism rose in capitalist countries. Bartel's narrative thus overstates the case of neoliberalism's rise. Second, Bartel advances a view of the Eastern Bloc's emerging democracies based too heavily to economic issues. The argument understates many motivations behind and the consequences of democratization.

Bartel stresses the importance of Thatcher's 1981 austerity-promoting budget, using it for much of the book as a textbook example of the neoliberalism of a democratically elected leader. He takes the appraisals of those who created the 1981 budget at face value, Thatcher's policy advisor John Hoskyns in particular, to show it was as transformational as the end of Communism was. Missing is the fact that Thatcher only decreased the governmental share of British GDP by 1% during her eleven years in power, and that John Major, her Conservative successor, soon erased that 1% decline.⁴ Although Thatcher substantially reduced the government's debt overall by privatizing much of the state sector, Bartel's focus on 1981 offers a selective picture. Even crediting Thatcher with a clean break from what came before her as Bartel does, Britain in the last decades of the twentieth century did not experience anything as transformational as what occurred in the Eastern Bloc in the 1980s–1990s. Indeed, very few places have experienced something as economically traumatic as that which the Soviets and their clients experienced.⁵

Bartel's narrative privileges politicians' perceptions of the economy over economic analysis. It is not an unwarranted move. In politics, perceptions matter an awful lot. Eastern Bloc leaders could have seen the British leader as she was popularly portrayed in the popular press, as willing to fight to institute economic discipline, including cutting subsidies, and saw themselves as needing to do likewise (75-77). The same global market forces, like volatile energy costs and interest rates, destabilized the UK and Soviet sphere. Bartel therefore commits to an analyzing both places based on these similarities. But this is like analyzing the effects of today's inflation on lower- and higher-income individuals without considering their drastically different economic profiles. Of course, the West was much wealthier than the Eastern Bloc. While Bartel acknowledges this, *Triumph* still argues that "the economic problems and solutions of the West and East were

⁴ The World Bank, "General government final consumption expenditure (% of GDP) - United Kingdom," <https://data.worldbank.org/indicator/NE.CON.GOV.T.ZS?locations=GB>.

⁵ There are very few examples of the demographic collapse similar to Russia's in the 1990s detailed in James Ciment, "Life expectancy of Russian men falls to 58," *The BMJ*, v.319(7208); August 2, 1999, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1116380/> (accessed 1/2/2023).

fundamentally similar” (334). A wealthier country has much more room to experiment with economic solutions. Presenting and solving the question Bartel poses does not require any economic flattening.

A midcentury view of national economies lies behind some of the book’s economic comparisons. Promises revolving around large industrial operations employing unionized workers represent the type of life governments in *Triumph* were trying to guarantee before the 1970s’ shocks and what followed in their wake. The timing works better for the East, where old-fashioned industrial jobs remained more common into the 1980s. The hollowing out of old industrial heartlands began decades earlier in parts of the West, as in the United States.⁶ America lost manufacturing jobs from the 1940s on.⁷ In 1982, *Time* magazine selected the personal computer as its Man (or in this case, Machine) of the Year. How do these postindustrial trends fit into neoliberalism and the end of the Cold War? Bartel could have tackled these questions and I would have been interested to read his commentary.

Acknowledging economic differences is significant because ‘economic discipline’ works very differently in industrial and postindustrial economies. In the West, discipline came (to the extent it did) slowly as the economy became so varied. It is also unclear how Western states amplified the neoliberal realities in their economies. If the neoliberal goal was “to turn the state into as much of an empty vessel as possible for the market’s provision of luxury and anguish,” budget numbers everywhere in the Western world show the neoliberal project to have been a partial and gradual success at best (347). President Ronald Reagan and Thatcher did not cut spending. Instead, they temporarily halted more spending on state services.⁸

The focus on the at-the-time perceptions of economic fallout of some politicians discounts the crucial background on how the Cold War played out. It was not just market forces behind the “emergence of energy and finance as potent forces in the global economy,” the building blocks of many neoliberal policies (4). Convincing Middle Eastern oil-exporting countries to deposit their petrodollars in the West and play within some rules of the game, like continuing to price petroleum in dollars, was a diplomatic victory.⁹ It is difficult to imagine finance being as potent if the West had not coordinated the lifting of capital controls.¹⁰ British authorities fostering the growth of the Eurodollar market in London did not happen entirely in a fit of absentmindedness.¹¹ Political decisions emerging from Western capitals helped unleash the economic forces that shaped the Cold War’s endgame. The West, therefore, always had more say in mitigating and manipulating the dynamics behind neoliberalism’s rise than the Eastern Bloc did. Like the West’s greater wealth, this advantage is not fleshed out in the book.

Triumph treats American power as broad in scope and immune from many market pressures, complicating the claim that neoliberalism won as Communism lost. By being able to easily fund its federal budget deficit with the dollar, the world’s reserve currency, Bartel argues that the US evaded typical neoliberal discipline after the pain of the Volcker Shock passed with the recovery of 1983-84. The largest capitalist country avoided many

⁶ See Joshua Freeman, *Behemoth: A History of the Factory and the Making of the Modern World* (New York, NY: W. W. Norton & Company, 2018); Louis Hyman, *Debtor Nation: The History of America in Red Ink* (Princeton, NJ: Princeton University Press, 2012); and Judith Stein, *Pivotal Decade: How the United States Traded Factories for Finance in the Seventies* (New Haven: Yale University Press, 2010).

⁷ Federal Reserve Bank of St. Louis, “All Employees: Manufacturing,” https://fred.stlouisfed.org/graph/?graph_id=347814&m=3405.

⁸ Monica Prasad, *The Politics of Free Markets: The Rise of Neoliberal Economic Policies in Britain, France, Germany, and the United States* (Chicago, IL: University of Chicago Press, 2006), 7-8.

⁹ Simon Reid-Henry, *Empire of Democracy: The Remaking of the West Since the Cold War* (New York, NY: Simon & Schuster, 2019), 98-100.

¹⁰ James M. Boughton, *The Silent Revolution: The International Monetary Fund 1979–1989* (Washington, DC: International Monetary Fund, 2001), 40.

¹¹ Adrian Hamilton, *The Financial Revolution: The Big Bang Worldwide* (New York, NY: Penguin Books, 1986), 27-28.

of the economic problems other countries experienced, almost to the point of encouraging global neoliberalism from the sidelines. Bartel argues that Reagan even created a new neoliberal promise consisting of “[c]heap imports from abroad, rising home prices, and access to all manner of credit [that] became the new foundations of a decidedly more precarious American way of life” (127). The ability of the US to break old promises and create this new one is a significant way *Triumph* answers Bartel’s key question. Still, it does not easily fit into the book’s rise-of-neoliberalism argument.

The second set of issues concern the role of democracy in the book. Bartel answers his core question by invoking democratization. He argues that the West had more legitimacy by way of elections and so more room to break promises than the Eastern Bloc did. Capitalist states could also rely on political traditions originating in the years before the midcentury boom which promised much less. Eastern Bloc countries, on the other hand, had always staked their legitimacy on full-employment industrialism. If they could not deliver these goods, Communist leaders would either resort to violence to hang on or depart.

I find this analysis based on legitimacy to be persuasive in starting the transition to democracy, but question the portrayal of Communist leaders as being too in control and disinterested as the democratic transition period unfolded. “Under the politics of breaking promises, there were no political spoils for the powerful and victorious, only costs,” Bartel writes. “Communist leaders chose to let their successors bear the burden of the costs that came with breaking promises” (17). Did they really choose? More blow-by-blow accounts feature the chaos at the time.¹² Bartel does provide fascinating reflections of ousted Communist leaders showing they did think they were setting up their successors to cut services and be unpopular (334). Still, the argument based on seeing “only costs” in the transition is unconvincing. The privatization of Eastern Bloc economies provided political spoils on the grandest scale. The privatization of the Soviet economy was the sale of the century, making oligarchs and Russian leaders filthy rich.

Bartel presents democracy in Eastern Europe after the Cold War as a cover for neoliberal discipline. In Bartel’s telling, democracy was a Faustian bargain in which populations accepted harsh economic austerity in exchange for meaningless access to ballots. The newly enfranchised electorates of Eastern Europe could choose only broken promises. Democratization then was an opiate of the masses that allowed elites to make hard choices as the forces of the global economy continued to batter the region. The “end of the Cold War, we must conclude, was the moment in which the people’s power peaked and the moment in which it was overcome,” Bartel notes (345).

Nonetheless, democracy was also a function of the people’s non-economic expectations of their leaders. The Cold War subjected billions of people to living on a knife’s edge. The most important promise a state can make is keeping its citizens alive, and that promise was miraculously upheld at the Cold War’s end.¹³ Looking to economic promises only provides a narrow view of the diverse motivations of the protesters and leaders that brought down Communist governments. They did not just want bread. They wanted safety and dignity too.

Perestroika is one of the most common terms in Bartel’s history; glasnost is hardly analyzed at all. Gorbachev knew what he wanted with glasnost: cultural reform allowing many more freedoms in Eastern Bloc daily life. Perestroika remained a mystery to Gorbachev from the time he assumed power to years after his departure when he acted in Pizza Hut commercials. It is not just that he did not have the stomach to do what Thatcher supposedly did. The Soviet Union and its allies fell into the trap of stalled development and unexpected obstacles. Soviet perestroika, like all economic reforms, was a moving target, subject to unknowable feedback

¹² See Mary Elise Sarotte, *The Collapse: The Accidental Opening of the Berlin Wall* (New York, NY: Basic Books, 2015).

¹³ See Jeffrey A. Engel, *When the World Seemed New: George H. W. Bush and the End of the Cold War* (New York, NY: Houghton Mifflin Harcourt, 2017).

loops and decisions made on the other side of the world. Although it was not precisely the Soviet camp's problem, the widely-discussed middle income trap afflicts all sorts of regimes and shows how difficult sustaining economic growth is.¹⁴ Even democratic countries with loads of legitimacy can struggle to institute austerity.

Considering the events of the decades after *Triumph's* main timeline ends underscores the need to unpack the relationship between economic and non-economic promises. Democracy's daily freedoms did not just make populations more tolerant of austerity. The political openness meant sides accustomed to opposing one another throughout the Cold War recognized shared interests, which has helped these countries commit to democracy. Many former Soviet-allied countries joined their western neighbors in the European Union, a club of democracies. Even with the rise of some elected authoritarians, democracy has remained ingrained in Central and Eastern Europe.

Materially, the pro-market democratic route also succeeded. Despite all the issues with the transition period in the 1980s and 1990s, all the areas of the Eastern bloc have seen living standards improve many times since the Cold War's end. Whether the policies that got them there were harshly neoliberal or not, overwhelming majorities in the region view the changes of the last thirty years positively.¹⁵ It seems like many a democrat's promises were kept, suggesting democratization was not a farce. And as the tragic fighting in Ukraine reminds us in 2023, the global economy is not nearly as harsh a master as Russian divisions are. Those Russian divisions have poured out of the one country that moved furthest away from the ideals of glasnost and are facing Ukrainian forces backed by robust and kept promises of Western aid.

¹⁴ Indermit S. Gill and Homi Kharas, "The Middle-Income Trap Turns Ten," Development Economics Vice Presidency and Development Policy Department, The World Bank, 2015, <https://documents1.worldbank.org/curated/en/291521468179640202/pdf/WPS7403.pdf> (accessed 1/2/2023).

¹⁵ Jacob Poushter, "10 Key Takeaways about Public Opinion in Europe 30 Years after the Fall of Communism," Pew Research Center, <https://www.pewresearch.org/fact-tank/2019/10/15/key-takeaways-public-opinion-europe-30-years-after-fall-of-communism/> (accessed 1/2/2023).

Review by Lorenz M Lüthi, McGill University

Based on much research on either side of the former Iron Curtain, Fritz Bartel has written a bold and provocative book. *The Triumph of Broken Promises* offers a history of how the Cold War and the rise of neoliberalism intersected with each other in the final two decades of the superpower conflict (3). Bartel starts with the premise that both sides of the divided world engaged in a race to make promises at the beginning of the Cold War, but ended up in a race to break promises towards its end (5). The rise of neoliberalism in the West during the 1970s provided an ideal framework for breaking post-World War II promises for a better socio-economic future in the process of reconstructing ailing Western economies. At the same time, Communist leaders faced similar problems with their faltering Soviet-style economies. Despite Western pressure to implement reforms along neoliberal lines during the 1980s, they shied away from breaking their post-war promises for a better socio-economic future. Only the collapse of Communism allowed democratically elected, post-Communist governments to break Communist promises and embark on neoliberal reforms at home.

The book's focus on economics allows Bartel to explore new avenues to help us understand the end of the Cold War and the rise of the post-Soviet period. Focusing mainly on the United States and the United Kingdom, on the one hand, and on the Soviet Union, Poland, and Hungary, on the other, he provides us with a comparative analysis on how West and East dealt with mounting economic problems in the final two decades of the Cold War. Despite their fundamentally different ideological starting points, both sides faced similar problems: how to revise or redefine earlier promises for a better socio-economic future that they believed they no longer could honor? Given the limits of energy supplies and the rise of sovereign debt, the old promises of unlimited growth seemed to have become untenable by the 1970s. Neoliberalism supposedly provided the exit from all these problems with its calls for a small state, deregulation of the economy, and the privatization of financial markets.

I admire Bartel for writing an ambitious book about a very complicated topic, even if I do not completely agree with his interpretation. But provocative and bold books always spark disagreement and, hence, fruitful points of departure for future discussions. I am certain that *The Triumph of Broken Promises* is one of these books, and congratulate the author on this achievement.

Bartel proceeds from the basic assumption that both sides engaged in the early Cold War in a “race to *make* promises” to their respective citizenries (5). This is certainly true at the rhetorical/propaganda level, but is this race the *essence* of the Cold War? And what *exactly* were the promises made? Personal prosperity, continuously rising wages, increasingly shorter working hours? Or general aggregate growth relevant to the overall economy and society? Moreover, what were the baselines against which these promises were made? The author notes early on that the post-war period was one of unprecedented growth in West and East. But, in some respects, that growth was based on a rebound after physical destruction (most of continental Europe) and financial collapse (UK) during the war. Apart from reconstruction, many of the solutions applied in the post-war period were solutions to interwar and even older problems. Responding to the Great Depression of the 1930s, Western countries built up heavily regulated economies that aimed at *both* macro-economic stability and redistribution of wealth (not to all citizens, as Bartel notes), while the Soviet Union used supposedly rational planning to create a nineteenth-century economy (based on heavy industry and workers welfare) for the second half of the twentieth century.¹

These essentially backward-looking solutions to the slow rise of a world economy, to the transition from heavy industry towards service-based economies, and to the nascent computerization of industrial production turned out to be inadequate by the 1970s. At this point, I disagree with Bartel that there truly was a world economy two or three decades into the Cold War. Many economies were still primarily national economies;

¹ Lorenz M. Lüthi, *Cold Wars: Asia, the Middle East, Europe* (Cambridge: Cambridge University Press, 2020), 596.

global integration had mainly occurred through increasing sovereign debt held by globally operating private banks. Similarly, I do not see the 1973 oil shock during the October War as the starting point for the processes Bartel describes. On the hand, the oil shock started slightly earlier for reasons unrelated to the Arab-Israeli conflict; on the other, the Nixon shocks of two years before had already led to upheaval in Western economies. Some of the problems that vexed Western economies in the mid-1970s had even deeper structural roots dating to the 1960s, particularly within trade between the emerging European Community and the United States.² High oil prices after 1973 just made everything worse.

However, I agree with Bartel's argument on the rise of neoliberalism and its connection to the final two decades of the Cold War as it applies the western world. While he focuses mostly on the United States and the United Kingdom, many of his conclusions also apply to large parts of Western Europe. The perceived crisis in the regulated Western economies opened up the possibility of rethinking radically Keynesian solutions to structural problems. As neoliberals admit in retrospect, by the 1970s they had the good luck of standing ready with formulated alternative ideas which conservative (and mostly anti-Soviet) politicians could pick up and implement.³ These ideas included deregulation and fiscal austerity (what Bartel calls 'discipline'), which resulted in aggregate growth but also increased socio-economic inequality. The resulting rise of socio-economic inequality certainly amounts to a broken promise, but I wonder whether it was an intended policy goal from the very beginning. Or was it the result of governmental and non-governmental actors rigging a deregulated system in their personal favor? Furthermore, as Bartel correctly notes, some of the neoliberal goals were impossible to achieve, like making the US government smaller (or, I would add, reducing the governmental budget in the UK). In fact, reducing taxes in the hope that this would jump-start supply-side economics, as the author correctly notes, greatly increased sovereign debt.

I am more skeptical about Bartel's argument of broken promises when it comes to the Soviet Union and socialist East Europe. Certainly, in a narrow sense, giving up on socialism in the late 1980s amounted to a breaking of promises. And, of course, on a rhetorical level, Communists had promised a better life to the workers of the world throughout the whole Cold War. But again, much of the economic growth in the socialist world after the Second World War was due to reconstruction starting at an extremely low level (USSR, Poland, East Germany). In some cases (like the CSSR), the Stalinist/Soviet-style development model did not help to develop a relatively advanced economy even further. In fact, many of the more far-reaching promises made in the socialist camp were delusional as early as the late 1940s.⁴ And the benefits, which these promises produced, were unevenly distributed. In the Soviet Union, large cities (which were essentially showcases) showed the supposed honoring of promises, but life in the countryside and the non-Slavic parts of the empire improved only little.⁵ Hence, for many Soviet citizens, promises were broken soon after they had been made. The Stalinist/Soviet-style economic system never really functioned, and the Soviets understood, and even admitted in 1954, i.e., shortly after Soviet leader Joseph Stalin's death.⁶ The decline of the system was already on the horizon in the late 1960s in Poland and East Germany (despite the closing of the borders to West Berlin and some liberal reforms). Hence, promises were not honored long before the

² Lüthi, *Cold Wars*, 106-12.

³ Milton Friedman, and Rose D. Friedman, *Capitalism and Freedom* (University of Chicago Press, Chicago, 1982), viii.

⁴ Lüthi, *Cold Wars*, 387-392.

⁵ Kristy Ironside, *A Full-Value Ruble: The Promise of Prosperity in the Postwar Soviet Union* (Cambridge, MA: Harvard University Press, 2021).

⁶ "Speech by Comrade Mikoyan," March 26, 1954, *Federal Archive of Germany, Berlin-Lichterfelde*, DC 20/22083, 1-8.

1970s, while discussions for radical reforms to correct past shortcomings happened in CMEA in the 1960s (sparked by Poland and the CSSR).⁷

My own research suggests that the oil shock was not a boon for the Soviet Union, since the ever-growing energy hunger of the Stalinist/Soviet-style economies, which Moscow had installed in East Europe after 1945, was already outpacing Soviet supply capabilities. In fact, the Soviet Union had to spend much money to buy Iraqi oil at world market prices to honor its energy supply promises to East Europe in 1973 and after.⁸ I am also not sure if Soviet leader Mikhail Gorbachev adopted Thatcherism or President Ronald Reagan's supply side economics either (even if he supposedly said so himself by the late 1980s). Perestroika, at least in my view, was an unsystematic and improvised amalgam of reform ideas from the West, Yugoslavia, Hungary, and China. Ultimately, the Soviet Union did not break its own promises in the late 1980s by switching from promoting common (socialist) goals in all of the socialist world towards the pursuit of its own national interests. Soviet leaders had been pursuing their own national interests in East Europe from the very beginning, while socialism was a secondary goal often promoted purely at the propaganda level. The Stalinist system primarily existed in East Europe to control geographical space in favor of Soviet security needs. Soviet subsidies to East European regimes were there to prevent uprisings (or placate unrest in their aftermath of 1953, 1956, and 1968); they were not merely selfless acts to improve mankind.

Ultimately, I am not quite sure where the author stands when it comes to evaluating the breaking of promises by leaders in the East and West in the 1980s? Was it bad, or was it good? Was it necessary, or were there alternatives? I agree that the breaking of promises in the West had an overall negative impact on society, particularly when it comes to the rise of socio-economic inequality. One of the great achievements of the post-war West was the reduction of inequality among most citizens, which made the Western model so attractive to dissidents in East Europe. The irony here is that in the 1980s, these dissidents admired this Western model just as the West was jettisoning it.⁹ And it is also clear that Western democracies currently are about to undo some of the damage neoliberalism has wrought, particularly in terms of re-nationalizing basic infrastructure (water supply, electricity grids, etc.). But how about the former East bloc? Was the breaking of socialist promises in the late 1980s so bad? In most of the former East European countries and adjacent former Soviet republics, the socio-economic situation has vastly improved for most of the people in the last three decades. Few people in Poland wish for a return of the 1980s; few in the Baltic states aspire the return of the Soviet system with its economic problems. The only exception is Vladimir Putin's Russia, but neoliberalism probably is not to blame for that particular case.

Despite my disagreements, Fritz Bartel's book is a bold and deeply researched analysis of an important aspect of the late Cold War that has not attracted systematic scholarly attention. Again, I extend my congratulations to the author. I am looking forward to the spirited discussions about the book among all of our colleagues.

⁷ See for example: "The position of the PR Poland," December 4, 1967, *Federal Archive of Germany, Berlin-Lichterfelde*, DY 3023/807, 34-39. "Proposals," [August 22, 1968], *Federal Archive of Germany, Berlin-Lichterfelde*, DE 1/54661, 1-20.

⁸ Lüthi, "Drifting Apart: Soviet Energy and the Cohesion of the Communist Bloc in the 1970s and 1980s," in Jeronim Perović, ed., *Cold War Energy: A Transnational History of Soviet Oil and Gas* (Basingstoke: Palgrave Macmillan, 2017): 371-99.

⁹ Lüthi, *Cold Wars*, 596.

Review by Federico Romero, Università di Firenze

Reading Fritz Bartel's book while the Federal Reserve is pushing up interest rates to break inflation, with the consequent rush of international capital to the dollar, feels at the same time apposite and dizzying. Because the story this book recounts is pivoted on Paul Volcker's analogous action as Fed chairman in 1979, which is known as the 'Volcker Shock.' To a large extent it is an extended discussion of the portentous, long-range developments Volcker set in motion. Bartel reconstructs them in an insightful, valuable analysis of the crucial role the transformations of global capitalism along neoliberal lines played in forcing socialist regimes to the policy choices that brought about the peaceful end of the Cold War.

Bartel starts from one crucial assumption that blends the international geopolitical conflict with global and domestic political economy. The true peculiarity of the end of the Cold War resides in the "collapse of communism as a system of governance," and more precisely in the unpredicted, astonishing fact that "those in possession of imperial and authoritarian power *willingly* and *peacefully* gave it up" (7). In short, they surrendered. Historiographical readings centered on triumphal Western strength and resolve¹ or the glorification of human rights as a transformative dynamic² cannot explain that decisive phenomenon. Therefore, they are of limited help in interpreting the end of the Cold War. Instead, what comes to the fore is the complex relationship the Socialist regimes built with the global economy, their increasing dependence on Western capital with its ever more stringent conditionality, and the eventual impossibility for their officials to design, or even imagine, a future sheltered from the global markets.

Interpretations of the end of the Cold War centered on the increasingly unsustainable relationship between the Socialist regimes and global capitalism—roughly but effectively measured by their indebtedness—are not new.³ Thus, the main argument is not as original as it would appear. Yet, it is enriched and enhanced by extensive research that illuminates key passages across different countries, and it is strengthened by a coherent narrative whose wide range does not imperil its sharp focus. Above all, it is framed within an overarching conceptual scheme that includes the advanced capitalist countries and the socialist ones in a single historical path, defined by their governments' need to reverse the expectations of uninterrupted growth—nurtured during the postwar decades—and instead impose sacrifices to their citizens ("breaking promises," in Fritz Bartel's formulation, [1]). He focuses on "the forces that dominated global political economy...in the wake of the oil crisis of 1973" (3)—energy, finance and the rather more problematic notion of *economic discipline*—to investigate the policies, dilemmas and eventual demise of key socialist regimes (the USSR, Hungary, Poland and the German Democratic Republic, GDR) from the mid-1970s to 1990.

¹ Hal Brands, *The Twilight Struggle: What the Cold War Teaches Us about Great-Power Rivalry Today* (New Haven: Yale University Press, 2022).

² Sarah B. Snyder, *Human Rights Activism and the End of the Cold War: A Transnational History of the Helsinki Network* (Cambridge: Cambridge University Press, 2011).

³ Stephen Kotkin and Jan Tomasz Gross, *Uncivil Society: 1989 and the Implosion of the Communist Establishment* (New York: Modern Library, 2009); Iván T. Berend, *From the Soviet Bloc to the European Union: The Economic and Social Transformation of Central and Eastern Europe Since 1973* (New York: Cambridge University Press, 2009); Federico Romero, *Storia della guerra fredda. L'ultimo conflitto per l'Europa* (Torino: Einaudi, 2009); Silvio Pons, *The Global Revolution: A History of International Communism 1917-1991* (Oxford: Oxford University Press, 2014); Robert Service, *The End of the Cold War, 1985-1991* (London: Macmillan, 2015); Odd Arne Westad, *The Cold War: A World History* (New York: Basic Books, 2017); Charles S. Maier, "Thirty Years After: The End of European Communism in Historical Perspective," in Juliane Fürst, Silvio Pons, Mark Selden (eds.), *The Cambridge History of Communism, Vol. III* (Cambridge: Cambridge University Press, 2017), 600-621; Lorenz M. Luthi, *Cold Wars: Asia, the Middle East, Europe* (New York: Cambridge University Press, 2020); Angela Romano and Federico Romero (eds.), *European Socialist Regimes' Fateful Engagement with the West: National Strategies in the Long 1970s* (London: Routledge, 2021).

The East-West comparison allows Bartel to argue that Western democracies could impose the mandated neoliberal recipe of unemployment, lower wages, privatizations, and welfare cuts while Socialist regimes could not. Thus,

democratic capitalism prevailed because it proved capable of imposing economic discipline on its own citizens. Communism collapsed because it could not. And neoliberal democracy emerged in both East and West from the Cold War's ashes because it was the best ideological system for breaking promises (19).

The argument seems to rest on democracy's wider latitude, as its citizens were more prepared to accept sacrifices that were legitimately mandated by a representative system. It is somewhat counterintuitive. After all, dictatorships should be more adept at forcing unwelcome conditions on their citizens since they can not only manipulate consensus but forcefully coerce it. More importantly, neoliberal precepts of fiscal austerity, wage compression and increasing rewards to capital were effectively implemented also in Western-oriented dictatorships, like Chile's. Besides, a distinguishing feature of neoliberal policies in several Western democracies was also a reduction of democratic spaces, most noticeably labor's rights at collective bargaining and political lobbying.⁴ This is a persistent tension that remains somewhat unresolved throughout Bartel's story.

However, the book is not about democracy but socialism, the ways in which the latter tried to adapt and survive under the emerging neoliberal configuration of the global, and the reasons why it failed. Western democracies (primarily the US and the UK) are occasionally brought in to illuminate some issues by way of comparison, or to buttress the overall scheme, but their economic and political trajectories are not the real subject matter here. The narrative concentrates on the Socialist governments' complex, tortuous and yet crucial dealing with international capital flows and credit conditions.

The first part of the book covers the years from the 1973 oil shock to the early 1980s, when "high interest rates and budget deficits in the United States began to monopolize the world's capital" (136), thus tightening the noose around the Socialist economies, whose previous opening to trade with the West had resulted in their indebtedness. The second part goes all the way to German unification. It tracks very accurately and insightfully the interaction between the financial pressures and conditions applied by Western institutions and governments—particularly the International Monetary Fund (IMF), the US and the Federal Republic of Germany (FRG)—and the socialist officials' slow, tortured but ultimately unavoidable realization that they no longer had the means, and the political space, to postpone the reckoning with the capital markets' requirements of deep restructuring. The conditionality that imposed harsh policy choices for debtors across the world exercised a deeper, more consequential pressure on socialist regimes, which were ultimately forced to negotiate themselves away—as in Poland and Hungary—or simply to collapse.

The book's most important contributions are both conceptual and empirical. The former resides in Bartel's systematization of the multiple ways in which the "economic forces unleashed by the 1973 oil crisis... fundamentally altered the nature of the competition between democratic capitalism and state socialism" (332). As a consequence, he explores the "foundational difference in imperial form" (341) between the immense power that the West could deploy by leveraging globalized capitalism, and the unsustainable burden the Soviet empire became for the USSR's stagnant economy. As for the latter, I find his chapters on

⁴ Aurélie Dianara Andry, *Social Europe, the Road Not Taken: The Left and European Integration in the Long 1970s* (Oxford, New York: Oxford University Press, 2022); Mark Blyth, *Austerity: The History of a Dangerous Idea* (Oxford; New York: Oxford University Press, 2013); Wendy Brown, *Undoing the Demos: Neoliberalism's Stealth Revolution*. (New York: Zone Books, 2015); Gary Gerstle, *The Rise and Fall of the Neoliberal Order: America and the World in the Free Market Era* (New York: Oxford University Press, 2022); Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Harvard University Press, 2018); Jessica Whyte, *The Morals of the Market. Human Rights and the Rise of Neoliberalism* (London: Verso, 2019).

the late 1980s the best reconstruction we have so far of the reflections, negotiations, stalemates, and anguished deliberations that brought the Socialist regimes to their 1989 implosion. Their trajectories are richly interwoven with a perceptive analysis of the West's use of its capital power to influence, cajole, compel, and coerce concessions that quickly transcended the diplomatic dimension to become strategic and, eventually, existential.

However, there are a few issues that I find less persuasive and that expose the other side of Bartel's overarching framework, i.e. the limitations its rigidity imposes on his analysis. The 1973 oil crisis—he states at the beginning—“challenged governments on both sides of the ideological divide to domestically distribute the economic losses caused by the oil price shock” (26). From this point onwards, the similarity of the test they faced shapes the narrative of a Cold War transformed from “a competition to expand social contracts into a competition to discipline them” (5) in order to attract international capital.

The mirror-like parallelism, though, overlooks the qualitative difference in the challenges they faced. The specific nature of the ‘promises’ that were made, their variable mix, and their different long-term implications mattered just as much—if not more—than the shared world market pressure to ‘break’ them. The socialist regimes that by the early 1970s had opted for a single-minded, large and long-term opening to trade with the West (as well as other international markets) not only aimed at ‘modernizing’ their industry and improving their citizens’ standards of living and levels of consumption, even though these were the most obvious and immediate rationales. They also aimed to catch up with the West in order to overcome their historical condition of poorer, ‘peripheral’ economies. Trade with the West (and the indebtedness that went with it) was not only meant to strengthen and expand socialism's shaky domestic consensus. It was also the backbone of a long-term strategy of national renewal and ascent. The most determined governments among them—Poland and Hungary—intended to break out of the isolation the Cold War partition had imposed on them, cautiously but steadfastly expand their international presence and even autonomy, and balance their Council for Mutual Economic Assistance obligations with new institutional links to be built with the European Community and other Western institutions.⁵

They were testing the limits of an economic and political system that after 1968 could not be thoroughly, openly ‘reformed,’ but that they were actively trying to transform by moving it in directions compatible with deeper exchanges with the West. It is worth noting that they were not so much reined in by the Soviet Union—which grumbled but did not seriously stop them—as frustrated in many of their efforts by the inbuilt protectionism of the European Community, which limited their exports in those very sectors (agriculture and low-tech manufacturing) in which they could be competitive.⁶

It is unfortunate that détente has practically no role in Bartel's discussion. Its trans-bloc and trans-national dimensions, its explicit promise to shelve the Cold War and replace it with long-term cooperation if not convergence, were the key terms of reference for many socialist leaders and officials. They hoped and worked for new, stable features of the international system that would allow Poland and Hungary, Romania and

⁵ Pál Germuska, “Balancing Between the COMECON and the EEC: Hungarian Elite Debates on European Integration during the Long 1970s,” *Cold War History*, 19:3, (2019) 401-420, DOI: 10.1080/14682745.2018.1544972; Aleksandra Komornicka, “The Unity of Europe is Inevitable’: Poland and the European Economic Community in the 1970s,” *Cold War History*, 20:4, (2020), 483-501, DOI: 10.1080/14682745.2020.1757651; Suvi Kansikas, *Socialist Countries Face the European Community. Soviet-Bloc Controversies over East-West Trade* (Frankfurt: Peter Lang, 2014).

⁶ Angela Romano, “Pan-Europe. A continental space for cooperation(s)”, in Angela Romano and Federico Romero (eds.), *European Socialist Regimes' Fateful Engagement with the West: National Strategies in the Long 1970s* (London: Routledge, 2021), 31-49; Elena Dragomir, “Breaking the CMEA hold: Romania in search of a ‘strategy’ towards the European Economic Community, 1958-1974,” *European Review of History* 27:4, (2010), 494-526, DOI: [10.1080/13507486.2019.1694492](https://doi.org/10.1080/13507486.2019.1694492)

Bulgaria, to re-enter a Europe-wide space, loosen their exclusive links with the socialist world, and play a more independent role in their pursuit of national goals.⁷

Here as in much of Cold War historiography, a distant focus on the two blocs—rather than the multiplicity of actors within them—may obscure rather than illuminate the forces at play and their trajectories. Bartel states that “in the 1970s, the Soviet Union and its Western adversaries fought a quiet battle for control of Eastern Europe....the Soviets by granting its bloc allies growing and subsidized deliveries of oil and natural gas, and the West by granting Eastern Bloc states growing and subsidized access to global capital markets” (14). This might be the view from Moscow and Washington—even though Moscow did little to prevent its allies from pursuing their Western oriented economic policies—but it does not really square with the plans, goals and expectations entertained in Warsaw or Budapest, where cautious but determined strategies for national modernization and a more independent international role were pursued. Thus, much more—and many more existential factors—was invested in these options than the making or breaking of promises as understood in the Western economies.

A second perplexity I have concerns the book’s oscillating depiction of the “privatized Cold War” and neoliberal transformations. His narrative does not ignore the strategic thrust and political implications of economic decisions: “American officials could say that markets were producing social outcomes, even if, in reality, they remained in full control of policy” (74). Yet, all too often the narrative recurs to expressions—such as “the laws of economic gravity” (58) for the cost of capital, or the ubiquitous “economic discipline” for fiscal austerity—that objectify this or that tenet of neoliberal doctrines as inevitabilities. The sections on Volcker’s turn and the Reagan Administration’s policy are as insightful as they are occasionally puzzling. We are told that “Western policy makers discovered how to use sovereign debt as leverage” (112), as though this was new knowledge or an unusual practice for them (one just has to follow the debates within the G-7 to realize how thoroughly familiar they all were with this, in relations to the Global South or the socialist world.)⁸ However, just a little later, the narrative makes clear that US officials were well versed in the art of extracting concessions from debtor countries (132).

These minor inconsistencies do not detract from an impressive book that pushes forward our knowledge of complex, most relevant historical processes. Yet while reading it I often wished that the author had relied less on elegant, catchy formulations and dug deeper in the implications they carried, or the complexities they obfuscated.

⁷ Oliver Bange and Poul Villaume, eds., *The Long Détente: Changing Concepts of Security and Cooperation in Europe, 1950s-1980s*. (Budapest: Central University Press, 2017); Aleksandra Komornicka, “From ‘Economic Miracle’ to the ‘Sick Man of the Socialist Camp’: Poland and the West in the 1970s”, in Angela Romano and Federico Romero (eds.), *European Socialist Regimes’ Fateful Engagement with the West: National Strategies in the Long 1970s* (London: Routledge, 2021), 78-108; Theodora Dragostinova, *The Cold War from the Margins: A Small Socialist State on the Global Cultural Scene* (Ithaca: Cornell University Press, 2021).

⁸ Emmanuel Mourlon-Druol and Federico Romero (eds.), *International Summitry and Global Governance: The Rise of the G-7 and the European Council* (London: Routledge, 2014).

Response by Fritz Bartel, Texas A&M University

I would like to begin by thanking Tom Maddux and the editors at H-Diplo for commissioning this roundtable, Odd Arne Westad for introducing it, and Emma Ashford, Melvyn Leffler, Niko Letsos, Lorenz Lüthi, and Federico Romero for their thoughtful engagement with my work. As Leffler and Lüthi write in their reviews, the book's argument is, if nothing else, debatable, and to have that debate advanced with these insightful commentaries is an immense honor. In the hope of furthering the discussion, I will focus my response on the biggest questions and reservations the reviewers raise about the book's interpretation, but I want to begin by expressing my gratitude for their praise.

When I began this project a decade ago, I shared Emma Ashford's puzzlement that economic forces had not been more widely analyzed in the literature on the end of the Cold War. I am heartened to hear of the ways in which she thinks the book's focus on political economy transforms our understanding of this period, and I would only add two slight emendations to her summary of the book's findings. She concludes that I am arguing that it was not "military might or...capitalist economic growth, nor...the failure of Communism as a mode of economic governance" that caused the West to win the Cold War, but rather the West's ability to impose economic discipline. In one sense, this is indeed what I argue. But I do not see these items as being in opposition. For me, it is not a question of whether Western military might, capitalist economic growth, and Communist economic failure *or* economic discipline spurred the end of the Cold War. Instead, the book aims to show that the pressure to impose economic discipline produced all three of these phenomena. As I trace in the book, the Reagan administration's military buildup, the West's return to a form of non-inflationary economic growth in the 1980s, and the collapse of Communism as a mode of governance (each one of which was key to the end of the Cold War) all had their roots in both systems' respective abilities to impose discipline. Thus, previous accounts were not wrong to focus on military might or relative economic growth, but they missed what made the Western and Eastern Bloc's particular configurations of economic and military power in the 1980s possible: namely, their respective abilities to impose economic discipline.

This also holds true for Ashford's mild lament that I give short shrift to the traditional diplomatic historian's focus on arms control and high-level summitry. Certainly, the fact that so many other historians have covered these issues with a great deal of skill and insight played a role in limiting my engagement.⁴⁹ But at an intellectual level, I also aimed to question the primacy of place that historians have generally granted to superpower diplomacy and the arms race in conceptualizing the end of the Cold War, and the implicit causal chain that scholars had built between the easing of superpower tensions in the mid-1980s and the collapse of the *entire* Communist system a few short years later. The end of the Cold War, in my view, was not primarily a diplomatic and geopolitical process that had enormous social and domestic political side effects. It was instead primarily a set of domestic social and political processes that had enormous diplomatic and geopolitical side effects.

Getting the relative weight and order of these processes correct is vital because this influences, in turn, how we debate the relative impact of various actors and forces on the Cold War's end. To take just one example, I conclude in the book that the Reagan military buildup did indeed have an important effect on ending the Cold War's arms race, but I also aim to make clear that the end of the arms race (and the superpower diplomacy that enabled it) was a relatively small part of the totality of events that comprise the end of the Cold War. Most of the action was happening *within* nation-states and had relatively little to do with the superpower summits and arms control negotiations that garner so much attention in prevailing narratives of the end of the Cold War. I hope my book allows scholars to distinguish between the forces driving the domestic and international components of the end of the Cold War more clearly, and allows us to recognize

⁴⁹ For characteristic examples, see Robert Service, *The End of the Cold War: 1985-1991* (New York: Public Affairs, 2015) and, from the American perspective, William Inboden, *The Peacemaker: Ronald Reagan, the Cold War, and the World on the Brink* (New York: Dutton, 2022).

that the domestic drivers of the collapse of Communism were ultimately more important than superpower diplomacy in spurring the Cold War's end.

Ashford also very rightly notes, in comments that Lüthi echoes, that my book “feels like the second half of a two part series,” and she points out that the oil shock of 1973 was itself the product of a long and complex history. I very much agree, and can only hope the book opens analytical space for others to pursue the comparative history of democratic capitalism and state socialism from 1945-1973: the era of making promises, as I have termed it. Was the race to make promises “the *essence* of the Cold War?,” Lüthi asks. Because my book focuses only on the period of breaking promises in the second half of the Cold War, it gives me no special authority to answer this question directly. But like many others, I have found the “ideological turn” in Cold War historiography to be persuasive, and one of its chief advocates (and chair of this roundtable), Westad, put this view most succinctly in *The Global Cold War*:

Like the United States, the Soviet state was founded on ideas and plans for the betterment of humanity. . . . As states, both were universalist in their approaches to the world and the majority of their leaders believed that friends or enemies on the international stage were defined by proximity or nonproximity to the specific ideological premises on which each of these Powers had been founded.⁵⁰

To me, that sounds an awful lot like the Cold War's ultimate origins lie in the United States' and Soviet Union's fundamental and mutually exclusive sets of promises. Those divergent sets of promises were, of course, overlaid with enormously important geopolitical questions, individual personalities, revolutionary technologies, and decolonization to give the Cold War its particular form and existential urgency. But at its root, yes, I do believe that the Cold War's essence lay in the superpowers' “two different versions of industrial modernity, two different sets of government promises” (4).⁵¹

Westad's quotation also makes clear why the prospect of breaking promises was so threatening to both sides in the Cold War. If the essence of the Cold War lay in “ideas and plans for the betterment of humanity,” then carrying out policies that would obviously make things worse for one's own citizens would be both politically excruciating and ideologically disqualifying. The transition from making to breaking promises did not happen overnight, and I agree with Lüthi and Ashford that the challenge of breaking promises did not emerge *ex nihilo* in 1973. But as a matter of periodization, I came to conclude that the oil price shock of that year was the best line of demarcation for splitting the Cold War into two distinct eras for three primary reasons: first, the shock was a global conjuncture *par excellence*, and thus did not privilege, as a starting point, the perspective of any particular actor or state in conceptualizing the argument and constructing the narrative. I view the world economy of the 1970s (which, contra Lüthi, I do believe existed) as something to which everyone—even the most powerful nation-states—had to *react*, and nothing signaled that imperative to react as much as the price shock. Second, the oil crisis rather immediately exploded the importance of finance and energy in international and domestic politics. And third, the price shock abruptly ended the debate in Moscow over whether the Soviet Union's allies in Eastern Europe were a burden on the Kremlin. Prior to 1973, Soviet policymakers had debated the economic value of their allies, but after the oil shock, the enormous burden of

⁵⁰ Odd Arne Westad, *The Global Cold War: Third World Interventionism and the Making of Our Times* (New York: Oxford University Press, 2006), 39.

⁵¹ I read Leffler's characterization of the Cold War (building on George H.W. Bush's phrase) as a struggle “for the soul of mankind” to be similarly focused on the Cold War's ideological roots. See Leffler, *For the Soul of Mankind: The United States, The Soviet Union, and the Cold War* (New York: Hill & Wang, 2007). Lüthi's own brilliant, *Cold Wars: Asia, the Middle East, Europe* (New York: Cambridge University Press, 2020) makes clear that there was no single Cold War, but he nevertheless identifies the origins of the superpower conflict in the years after World War I when “Soviet Russia and the United States emerged as promoters of competing visions for reordering a world that was still dominated by imperial powers...” (13). Perhaps that is not so different from a race to make promises?

the bloc could no longer be held in doubt. This had a profound impact on all the subsequent events that led to the collapse of Communism and the end of the Cold War.

A number of the reviewers critique my conceptualization of neoliberalism. It is no doubt a term I use in a relatively uncritical and perhaps idiosyncratic manner, and my book is clearly not the one to go to for the most rigorous conceptual discussion of it as an ideology or practice. It is for this reason that I defined precisely what I meant by the term in the first three pages of the book. I agree with Ashford that most definitions use words like “deregulation, market efficiency, and lowering trade barriers,” but I find these terms particularly unhelpful because they obfuscate—much as neoliberalism as an ideology does in the public sphere—what the social implications of those policies are, namely: unemployment, wage suppression, bankruptcies, deindustrialization, and yes, the purposeful redistribution of wealth upward (or, phrased more lightly, increasing inequality).

This is also why I would contest Leffler’s assertion that I “conflate” acts of breaking promises with “globalization, rising inequality, and wage stagnation.” To me, those words are just acts of broken promises hiding under more pleasant and/or seemingly impersonal guises. One of the primary purposes of ideology is to give pleasant names and an air of inevitability to things that are in fact the unpleasant outcomes of human decisions. Adapting to economic change in the 1970s and 1980s entailed millions of unpleasant outcomes, and it was ideology’s role to focus society’s attention on the positives (“freedom!”), minimize or deny the existence of the negatives (“it’s self-reliance, not broken promises!”), and paint such outcomes as the inevitable result of impersonal forces (“globalization!”). Leffler may be correct that most British and American voters were “not seeking to de-industrialize their communities or to hand their government to financial overlords,” but that is not what President Ronald Reagan and Prime Minister Margaret Thatcher said they were doing and that is not why they were reelected multiple times. Instead, they claimed they were, as Leffler writes, “recalibrating the relation of the state to the market” or unleashing “the job creators” to build wealth that would eventually “trickle down.” Using rhetoric to define reality in a manner that renders outcomes legitimate is, I think, one of the chief functions of ideology, and it is precisely the role that neoliberalism has served in the era of broken promises.

Ashford and Lüthi wonder whether neoliberals sought to intentionally increase inequality. Exactly how many neoliberals were aware of the class implications of what they were trying to do is difficult to say. No doubt some of them allowed themselves to believe that “unleashing the market” would lift all boats equally. But Chairman of the Federal Reserve, Paul Volcker, famously said that the best thing the Reagan administration did was defeat the air traffic controllers’ strike because it sent a disciplinary message to organized labor. And as I write in the conclusion to the book, one of the chief architects of the Thatcher revolution, policy adviser John Hoskyns, wrote in internal government documents early in Thatcher’s time in office that one of her chief tasks was to overcome “the traditional British hang up—the lurking fear that a few individuals might make a lot of money” (346). Clearly some neoliberals, including very powerful ones, thought that increasing inequality was a feature, not a bug, of their program.

And they were not alone. Perhaps the most shocking finding of my entire project was that this desire to intentionally increase economic inequality and insecurity was not limited to the neoliberals of the West, but was instead fully shared by the socialist reformers of the East. It was not Reagan who said in 1984, “the free provision of goods...weakens incentives to work” (174). It was Soviet economists who were advising Mikhail Gorbachev. And it was not Thatcher who said, “The workers have become our enemies” (222). It was instead the Polish Communist leader Mieczysław Rakowski. “Equality has never been and cannot be a feature of socialism,” the Hungarian leader Károly Grósz concluded in 1986. Instead, “the possibility of considerable inequality” was inherent in Marxism (347). Time and again while researching this book, I came across astonishing quotes from Eastern Bloc leaders that—except for their professed allegiance to socialism—sounded like they could have been spoken by neoliberals on the other side of the Iron Curtain.

In slightly different ways, though, Romero, Leffler, Lüthi, and Letsos nevertheless raise doubts about how similar the challenges and solutions of the East and West were. As Leffler succinctly summarizes: “were the challenges and choices really the same in the East and West?” I would respond as I do in the book: “the differences of degree [between the two blocs] were substantial, but they were not differences in kind” (347). The reviewers appear to argue that two economic differences between the blocs made their challenges qualitatively, rather than quantitatively, different: the totalizing nature of control in the command economy gave the challenge of breaking promises a fundamentally different character in the East than in the market economies of the West; and the Eastern Bloc’s peripheral status in the world economy and the West’s much higher level of wealth made the existential severity of the two blocs’ challenges categorically different.

There is no doubt that both of these were important differences between East and West and that together they made the scale of the challenge of breaking promises in the Eastern Bloc much greater than doing so in the developed West. But taken together, they still do not suggest—to me at least—that the political economy of the Eastern and Western blocs was *fundamentally* different, and thus incomparable.⁵² Nor do they suggest that scale alone accounts for the East’s inability to break promises. Why? Because if the command economy and the Eastern Bloc’s relative lack of wealth and development had been the decisive factors, then post-Communist governments after 1989 should have struggled just as mightily as their Communist predecessors to break promises. Following the collapse of Communism, former Eastern Bloc economies were even further behind the West than they had been in the 1970s and 1980s and the institutional residues of the command economy remained enormous roadblocks to any kind of restructuring. And yet, as soon as post-Communist governments had democratic legitimacy and began to use neoliberal rhetoric to justify their policies, they imposed economic discipline with *relative* ease compared to their Communist forbearers.⁵³ I therefore remain convinced that the decisive differences lay in the realms of ideology and domestic politics, not economic systems and relative economic standing.

Letsos and Leffler both express skepticism of the rise of neoliberalism due to the persistence of the Western welfare state after 1979. For a number of reasons, however, I would contend that the persistence, or even expansion, of social spending as a percentage of GDP is not an indicator of a government keeping (enough of) its promises to its citizens. First, though aggregate social spending stayed level or increased across the West, the amount of conditionality attached to that spending (an impulse, again, that state socialist reformers shared with neoliberals) has increased dramatically since 1980.⁵⁴ Second, I argue in the book that three developments—none of which involved shrinking the total size of the welfare state—were the core of the West’s turn to breaking promises after the Volcker Shock: the end of full employment, rising incomes, and/or job security for the working class. After 1979, Western government provided their citizens with some combination of these three, but “they could no longer provide all three at the same time” (111). Far from contracting the welfare state as a means of breaking promises, Western policymakers used the welfare state to socialize the human costs of industrial restructuring, rising unemployment, and declining job security across their societies. Unlike the Eastern Bloc, where social spending was delivered primarily through large enterprises (thus making the prospect of closing or restructuring these enterprises politically exorbitant), Western governments used their welfare states to allow deindustrialization to proceed without spurring a

⁵² In forming this view, I was inspired by Charles Maier’s scholarship, most specifically, “The Collapse of Communism: Approaches for a Future History,” *History Workshop*, no. 31 (Spring 1991): 34-59, and more recently, Branko Milanovic’s *Capitalism, Alone: The Future of the System That Rules the World* (Cambridge, MA: Harvard University Press, 2019).

⁵³ The legacy of broken promises after 1989 is well captured in Philipp Ther, *Europe Since 1989: A History*, Charlotte Hughes Kreuzmüller trans. (Princeton, NJ: Princeton University Press, 2017).

⁵⁴ For one informative article on workfare across the OECD, see Carlo Michael Knotz, “A Rising Workfare State? Unemployment Benefit Conditionality in 21 OECD Countries, 1980–2012,” *Journal of International and Comparative Social Policy*, 34:2, (June 2018): 91-108.

large-scale, immediate, and politically destabilizing social crisis.⁵⁵ Thus, I argue in the book, “the welfare state became an ally of the politics of breaking promises by providing subsistence to the millions of workers deindustrialization had made superfluous” (120). In this way, rising social spending is not an indication of how many promises Western states kept to their populations, but rather how many promises they broke in the areas of jobs, wages, and life-worlds while jettisoning their industrial economies.

I chose to predominantly use the term “economic discipline” rather than “austerity” in the book precisely in order to make clear that broken promises entailed far more than just *fiscal* discipline. The total size of Western welfare states has not decreased since 1980, but that does not mean that social contracts have not been disciplined and promises have not been broken. The processes that Leffler holds up as contradictory to my argument—that the US and Great Britain survived the crises of the 1970s because of “their ability to attract financial resources from around the world” and the rising dependency of states on finance capital “to fulfill [not sever] their social contracts”—are themselves products of enormously disciplinary state policy. Making one’s country permanently attractive to global finance entails what the Volcker Shock provided: a clear indication to global capital holders that price stability will be maintained above all else and that ultimately the interests of capital will be protected, even at the expense of millions of workers.

In exchange for governments’ imposition of this kind of discipline, global capital holders have indeed recycled untold billions back to nation-states to fund their social contracts, prop up global demand, and free governing elites from arbitrating many thorny distributional questions.⁵⁶ Wolfgang Streeck has titled this process “buying time” and has shown how it has historically applied across the developed capitalist world since the 1970s, not just to the UK and US.⁵⁷ I find a great deal of insight in Streeck’s historical interpretation (if not his prognosis of capitalism’s end), but the important point that often gets lost in the phrase “buying time” is that it relies on imposing discipline. Buying time as a society, i.e. living on finance in perpetuity, requires breaking promises at particular moments in history (when inflation endangers the return on capital) and to particular members within your society, perhaps best summarized simply as ‘the working class.’ Far from being mutually exclusive, then, these two processes of global capital freeing nation-states from financial limits, and nation-states, in turn, breaking promises, are deeply intertwined. It was this process of breaking promises in order to buy time that the capitalist states of the West could ultimately accomplish and the state socialist governments of the East could not.

Was all this “bad, or was it good? Was it necessary or were there alternatives?” Lüthi asks in conclusion. I find it difficult to say. If the peaceful end of the Cold War and the rise of neoliberalism were as intimately connected as my book argues, then there are at least a few reasons to think that the triumph of broken promises was not as bad as it sounds. First and foremost is the fact that it played a significant role in peacefully ending a global conflict that brought the world to the brink of nuclear annihilation, caused millions of deaths, and could have, in its denouement, caused millions more. One of the main reasons that the peaceful end of the Cold War was so difficult to imagine before it happened was that there was no apparent *geopolitical* reason to believe that it could end that way. On what historical basis could anyone during the Cold War credibly hope that those “in possession of imperial and authoritarian power [would] *willingly and peacefully* [give] it up”? as I write in the book (and Romero quotes). Yet that is what the peaceful end of the Cold War required, and that is exactly what transpired, to the great astonishment of the entire world. It did so—if my book is to be believed—precisely because of the pressure to break promises. Moreover, as Lüthi stresses in his review, in helping end the Cold War peacefully, the pressure to break promises also played a significant

⁵⁵ A core point that I take away from Gabriel Winant’s outstanding book, *The Next Shift: The Fall of Industry and the Rise of Health Care in Rust Belt America* (Cambridge, MA: Harvard University Press, 2021). Of course, instead of an immediate social crisis, this dynamic set in motion a quieter and long-building social crisis, which is still with us today.

⁵⁶ Greta Krippner brilliantly shows this in *Capitalizing on Crisis: The Political Origins of the Rise of Finance* (Cambridge, MA: Harvard University Press, 2012).

⁵⁷ Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism, Second Edition*, trans. Patrick Camiller (New York: Verso, 2017).

role in freeing the peoples of the Eastern Bloc from a Communist system to which few would want to return. To the extent, then, that the politics of breaking promises was a catalyst of peaceful Great Power transition and Communist authoritarian downfall (hardly historical outcomes to scoff at), it served righteous ends in the world.

But of course that is not the entirety of its ledger. As a matter of ideology and domestic political economy—how many promises do governments still make and keep to their citizens—I find the triumph of broken promises to be a fairly unmitigated tragedy. The upward redistribution of wealth, the weakening power of organized labor, the hollowing out of spaces for democratic contestation, and the demonization of the democratic state as an architect of social progress, all served no necessary economic function, but have left enormously destructive consequences in their wake.

Whether it could have been otherwise, though, is another matter. Strictly speaking, of course it could have been. History is never simply a product of its structural determinants, and individuals and accidents play an enormous role in determining its contingent flow. It was an accident of history that Reagan and Volcker found themselves in their respective offices at the same time, but the fact that they were had world historical significance. If the Argentine junta had not invaded the Falkland Islands, Thatcher likely would never have been reelected. And if Gorbachev had not lost control of the Soviet money supply in 1988 (a development that was not strictly accidental, but certainly was unanticipated), perestroika might have muddled through, and the Soviet Union might have survived.

But despite these important contingencies, three things seem to me to have been structurally imbued in the economic crises of the 1970s: (1) a perestroika of the industrialized economies of both the capitalist and communist worlds, (2) a disinflation to account for the rise in global commodity prices and the end of postwar growth rates, and (3) a broad increase in the global importance of finance. These developments need not necessarily have resulted in the global rise of neoliberalism, in the widespread embrace of “the market” as the solution to all societies’ ills, but they significantly tipped the material balance of forces in that direction.

Perestroika in both the capitalist and Communist world meant, above all, transitioning from an industrial to a postindustrial economy, and this in turn implied—inherently, as far as I can tell—moments of economic discipline: closing insolvent enterprises, laying off workers, and/or imposing real wage cuts in declining sectors of the economy (much as a green perestroika of the global carbon economy will today). Disinflation meant distributing the loss in real wealth implicit in low growth and high commodity prices between capital and labor. This in turn implied a decline in living standards for some sections of the industrialized societies of the East and West.

However, neither process required in any economic sense that labor bear the entirety of this decline in living standards; neither required that wealth be proactively redistributed upward; neither meant that industrial workers or the poor were in need of more personal ‘discipline;’ neither inherently signaled that the state was an impediment to, rather than an architect of, social progress; and neither automatically meant that an ideological project committed to valorizing “the market” would prevail. The baby of social democracy did not need to be thrown out in order for the bathwater of deindustrialization and disinflation to go down the drain.

But, in certain ways, it makes sense that it was. First, as I point out in the book, embracing a narrative of “market forces” and “deregulation” allowed government officials to say, “Look, no hands,” (74) when the negative social consequences of restructuring emerged. No social democrat or state socialist could make such a claim, even as they too proactively sought, at various points, to disinflate their economies and

deindustrialize their workforces.⁵⁸ And second, as the reality of industrial stagnation clashed with the shocks of high commodity prices and import competition in the 1970s, finance offered governing elites in every corner of the world—East, West, North, and South—a lifeline to keep the hope of material progress alive. Almost all of them—whether capitalist or communist, authoritarian or democratic—eventually took it. Should they have turned that lifeline down? Perhaps. Should the institutions that governed the global financial system have fought harder to regulate that lifeline rather than actively encouraging financial liberalization? Absolutely. But even if both of those things had happened, the challenge of breaking promises would have nevertheless remained. A less financialized world would not necessarily have been one more favorable to alternatives to capitalism or neoliberalism. The mind-bending takeaway from studying state socialism’s rising indebtedness in the 1970s is that global unregulated finance was just as central to *keeping alive* organized resistance to capitalism as it was in eventually ending it. A world with less finance or more public finance may just have been one in which that resistance ended sooner.

There may be no such thing as a “law of economic gravity,” as Romero points out. But the oil shock of 1973—a global conjuncture that reflected the United States’ declining, not rising, power, that signaled the Global South’s momentary leverage over its former imperial exploiters, and that augured the world’s utter dependence on carbon for all modern notions of material progress—did create an economic reality that *everyone* eventually believed was unavoidable. Günter Ehrensperger, the East German Communist whom I quote in the conclusion, said it best to the German Democratic Republic’s Central Committee on November 9, 1989: “In 1973 there was a very large worldwide price explosion...[and in response] we lived beyond our means year after year....If we want to get out of this situation, we have to work hard and consume less than we produce for at least 15 years” (333). Six hours later, the Berlin Wall fell.

I want to close by again thanking Emma Ashford, Lorenz Lüthi, Federico Romero, Niko Letsos, and Melvyn Leffler for their insightful reviews of my work. It has been an honor to receive and engage with their thoughts.

⁵⁸ In Western Europe, deindustrialization was, characteristically, a state-led affair. For a summary of the most notable initiative, the Davignon Plan, which proactively shrank the size of Western Europe’s steel industry, see Harold James, *Europe Contested: From the Kaiser to Brexit* (New York: Routledge, 2020), 333.