

ated, he points out. Much of the globe, in fact, has been left out: “most of Africa and Latin America, Russia, all of the Middle East (except Israel), and large parts of Asia.” Moreover, economic interdependence among nations today, as measured by exports as a percentage of gross domestic product, is about what it was in 1910. “What is true of trade also holds for capital flows, again as a percentage of GDP.” The United States and other nations with big economies still do most business at home, and virtually all multinational corporations are “firmly anchored in their home bases.”

The American way is in vogue today, but it would be rash “to conclude from a decade’s experience that the one best model has at last appeared,” he says, when in decades past, others, such as “the Japanese brand of neomercantilism,” have been similarly admired.

“International politics remains inter-national” rather than global, Waltz says. The sovereign state with fixed borders has proved to have no rivals when it comes to keeping domestic

peace and promoting prosperity. “The most important events in international politics are explained by differences in the capabilities of states, not by economic forces operating across states or transcending them,” Waltz says. Politics usually trumps economics. The Soviet Union and Yugoslavia were each economically integrated, yet both disintegrated. Moreover, he observes, “national *politics*, not international markets, account for many international *economic* developments.” The European Union is the result of governmental decisions; so is the North American Free Trade Agreement.

Much of what looks like globalization is merely the exercise of American power, Waltz contends. Countries abandoned by the “electronic herd,” for example, often seek a U.S.-organized bailout through the International Monetary Fund, widely seen as “the enforcement arm of the U.S. Treasury.” Once Britain sustained the rules and institutions of the international economy; today, it is the United States. Tomorrow, it will be somebody else.

## *Defending Land Mines*

“Landmines: Why the Korea Exception Should Be the Rule” by John F. Troxell, in *Parameters* (Spring 2000), U.S. Army War College, 122 Forbes Ave., Carlisle, Pa. 17013-5238.

Citing the need to defend South Korea from attack by North Korea, the United States has refused to sign the 1997 Ottawa Treaty banning land mines. But President Bill Clinton has said the United States will sign it by 2006 if effective alternatives to landmines can be found. Troxell, director of national security studies at the U.S. Army War College, fears that the United States may sacrifice a valuable military tool.

The Ottawa Treaty came about as the result of the Nobel Peace Prize-winning International Campaign to Ban Landmines, which focused worldwide attention on the toll the devices were taking on innocent civilians. A 1995 State Department report estimated that more than 100 million land mines in more than 60 countries were causing 26,000 casualties a year, and that some 2.5 million new mines were being planted each year. Today, many fewer new mines are being put in place, and they are outnumbered by the ones being removed. Washington has spent more than \$375 million since 1993 to remove mines in other countries, “with the goal,” Troxell says, “of eliminating the threat . . . to civilians worldwide by 2010.”

“Dumb” antipersonnel mines, which remain in the ground indefinitely, ready to go off, “are the principal cause of the humanitarian crisis,” he notes. But the Ottawa Treaty would ban *all* land mines, including “smart” ones that self-destruct within hours or days and are usually used to protect antitank mines (also self-destructing). With no effective alternatives, he says, both “dumb” and “smart” mines should remain in the U.S. arsenal.

“Landmines are vital battlefield tools to channel enemy forces into a specific area, or to defend flanks, restricted terrain, or border zones,” he says. In the Korean case, “long-duration active mines along the [demilitarized zone] help deter the third largest army in the world” from attacking.

But mines’ military usefulness is not confined to the Korean Peninsula, Troxell argues. They serve as “a combat multiplier” for all U.S. land forces, especially those that are outnumbered when first deployed. Troxell points out that 16 four-star generals and admirals told Congress that in 1997. “While there are legitimate humanitarian

concerns related to the indiscriminate and undisciplined use of these weapons,” Troxesll says, “there are equally valid concerns relat-

ing to the effectiveness and security of U.S. forces and their ability to accomplish assigned missions throughout the world.”

## ECONOMICS, LABOR & BUSINESS

### *Europe’s Jobless Blues*

“Inequality and Unemployment in Europe: The American Cure” by James K. Galbraith, Pedro Conceição, and Pedro Ferreira, in *New Left Review* (Sept.–Oct. 1999), 6 Meard St., London W1V 3HR, England.

Most economists blame Europe’s stubbornly high unemployment rates on rigid wage laws and generous welfare states that discourage workers from looking hard for jobs. They point to the example of the United States, with fewer government protections, more income inequality—and a four percent unemployment rate when the new year began. France’s jobless rate, in contrast, was 10.6 percent; Italy’s, 11.1 percent; and Spain’s, 15 percent. Galbraith, a professor of public affairs and government at the University of Texas at Austin, and his colleagues, both doctoral students, have a different explanation for Europe’s plight: insufficient welfare-state generosity. Surprisingly, these analysts, too, look to the United States for inspiration.

“Today, national unemployment rates are systematically *lower* in the richer and more equal countries of Europe where wages are high and social welfare systems are strong,” they write. In Sweden, for instance, the jobless rate was only about five percent last December.

A quarter-century ago, unemployment rates in Europe were quite low everywhere. “In the high-income countries, full employment, social democracy and the welfare state prevailed,” the authors observe. In low-income countries, such as Spain and Portugal, which “were substantially peasant societies, often with comparatively recent fascist governments,” there were “few industrial jobs and few cushions for those who might seek but not obtain them. . . . People stayed on the farm.” This has changed. Europe today is “an integrated continental economy.” “Inter-regional inequalities” are creating long unemployment lines in the poorer countries. Lacking generous social supports, many people are fleeing the countryside. “Better the dole and the grimy

suburb than life in the village or on the farm,” note Galbraith and his colleagues.

Europe’s high-income countries also have “low-productivity, dead-end, uninteresting jobs, from which people might be seeking to escape,” the authors point out. But when all social benefits are included, many of those jobs are well compensated. These countries “provide high minimum wages, buyers for farm produce, jobs in vast public bureaucracies, free health care and higher education. As a result, low-productivity people stay put in their low-productivity jobs . . . growing artichokes in Brittany, crofting in Norway, or raising pigs in the high passes of the Swiss Alps.” They usually do not go after “high-productivity” jobs, say the authors, because the higher pay is not high enough, all things considered, “to make the trouble of earning it [seem] worth their while. This is the secret, it appears, of fuller employment in richer countries.”

Europe’s poorer countries cannot make the needed changes on their own, Galbraith and his colleagues say. Now a *continental* economy, Europe needs a *continental* full-employment policy, “involving [income] transfers not to governments but mainly to individuals and at a common continental standard. . . . [Europe needs] a truly *European* welfare state, with a continental retirement program, ‘topping up’ of low wages and a euro-valued minimum wage.”

“The *comparatively successful* social democracy of the United States” offers a model, the authors aver. It has not only low unemployment but, by their measures, *less* inequality than Europe *as a whole* does. Americans have liberal access to credit, a national social security system, and, since 1994, a rapidly expanding earned income tax credit that erases or vastly reduces the income