The Deluge: The Great War, America, and the Remaking of the Global Order, 1916-1931

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Ask Americans when their country became the world’s dominant power and chances are most will point to the hard-fought victory in the Second World War. But as Adam Tooze shows in his latest work, that shift occurred a generation earlier and before American forces had even fired a shot in what was once called the Great War. To those familiar with the history of the First World War, this hardly is a revelation. But Tooze, a professor of history and international security studies at Yale University, aims for something more. His revisionist history sweeps across events in Europe and America, touches on the Middle East, India, and delves into the fractious relationship between China and Japan before ending at the abyss of 1931, when the Great Depression became a global catastrophe. Indeed, the US edition of this book is subtitled The Great War, America and the Remaking of the Global Order, 1916–1931. Those years ‘resonate down to the present’ because they raise questions about a ‘lack of will and judgment’ on the part of a ‘rich, powerful democracies’ that remain unanswered. ‘Given the rise of China’, Tooze points out, ‘these questions have an obvious force’ (p. 19).

This is territory worth exploring, and the similarities between past and present are eerie whether in the struggle over Ukraine, in the halls of the US Congress, or in the failed attempts of European governments to rebound from economic crisis by resorting to what is now called ‘expansionary austerity’. Unwilling in 1918 to give up the resource-rich Ukraine any more than Vladimir Putin is today, Vladimir Lenin created a ‘hand-picked’ government of his own, which was soon ‘directing a ragtag army of mercenaries against Kiev’ (p. 126). A few months later, American voters handed control of Congress to a Republican Party still unreconciled to the re-election two years earlier of Woodrow Wilson, a Democratic president. Thanks to the bitter partisanship of the 1916 and 1918 elections, American ‘foreign policy had been politicized as never before’ (p. 336) – a story that would sound all too familiar to Barack Obama. Across the Atlantic, economic havoc caused by the war persuaded a number of governments that only a ‘return to financial orthodoxy’, meaning deflation and massive cuts in government spending, would restore the glory days of pre-1914 prosperity. A ‘policy-induced’ austerity regime was tried first in Britain, at the end of 1919 and, a decade later, in Germany, but in neither case did prosperity return. Quite the opposite, the ‘purge of deflation’ ensured the rise to power of Adolf Hitler (pp. 358, 490). Even if David Cameron and George Osborne in London or Angela Merkel and Wolfgang Schäuble in Berlin cannot see the parallels, for others they are hard
to ignore.

Fascinating stories spring from this book, as when Italians, keen to show their gratitude for America’s wartime aid, held processions ‘featuring the Virgin Mary with the Stars and Stripes in her hand’ (p. 177). Thousands of miles away, a Chinese student, swept up by Wilson’s promise of a new world order, dreamed of a Sino-American partnership in Asia. The alliance between these two powers, he confidently predicted, would be ‘the great endeavour of a thousand years’ (p. 91). That young man was Mao Zedong.

Given material like this, taken from a period that has not been given the attention it deserves, The Deluge has the makings of a masterwork. But it is not. Instead, this book is shot through with misstatements, contradictions, inconsistencies and other, basic, errors. As happens with publishers who see only the bottom line, it is obvious The Deluge was not fact-checked before it went to press. It has no bibliography, an index that is woefully inadequate, and source notes that are unreliable. One of this book’s chapters is called ‘The Fiasco of Wilsonianism’. The Deluge may not be a fiasco, but it is a mess.

The pity is that Tooze has a story worth telling. While 1916 is remembered as the year of horrendous bloodletting at Verdun and the Somme, another event cast a shadow at least as long as those battles. According to Tooze, sometime during that same year the British Empire, ‘the largest economic unit in the world’, was overtaken by the United States. ‘Henceforth’, he continues, ‘American economic might would be the decisive factor in the shaping of the world order’, and still is – at least for now (pp. 12–13). Yet, America’s arrival on the world stage was different from its predecessors in at least two respects. The first difference was made clear in a British Foreign Office memorandum written a decade after the war. ‘Great Britain’, this memo began:

is faced in the United States of America with a phenomenon for which there is no parallel in our modern history – a state twenty-five times as large, five times as wealthy, three times as populous, twice as ambitious, almost invulnerable, and at least our equal in prosperity, vital energy, technical equipment, and industrial science (pp. 463–4).

On reflection, America’s emergence should have surprised no one. As Paul Kennedy pointed out in The Rise and Fall of the Great Powers, by 1900 the United States was already the world’s leading manufacturing power, with Britain and Germany battling for second place. So, a change was coming; sooner or later, the world’s financial and political centre of gravity would cross the Atlantic. What no one could have predicted was how sudden this move would be, a suddenness that ‘was a product of the Great War’ (pp. 40–1).

The shift began in 1915 when the three leading Allied Powers – Britain, France, and Russia – pooled their gold reserves for loans to purchase American-made goods. Even this early in the war, the scale of those purchases was breathtaking. According to Tooze, in 1916 alone Allied procurement contracts were ‘valued in excess of the entire export trade of the United States in the years before the war’. As America’s economy boomed, America’s president was increasingly alarmed. Left unchecked, the nation’s well-being would be tied to the Allies’ ability to repay their American creditors, and that would depend on victory in the war. To use a familiar phrase, the Allies were fast becoming too big to fail (pp. 36–9).

If any one person dominates The Deluge, it is America’s 28th president. Even after he left office, Wilson was like the absent America itself of the inter-war years, ‘the ghost at all our feasts’ (p. 516). Even so, the Wilson who steps off these pages is no idealist, never mind an internationalist. More than he or his Republican opponents cared to admit, their world view was based on a shared ‘triumphant nationalism’. Wilson did not want the United States to be equal with other world powers; he wanted ‘absolute pre-eminence’. American policy was based on the ‘Open Door’ which, however it sounded, was not free trade by another name. The Open Door was designed to swing only one way. While the US market was still largely protected by tariff barriers, this policy meant to give American bankers and businessmen access to all corners of the globe ‘and across the boundaries of any empire’. Confident in America’s brand of capitalism,
they would ‘sweep all their rivals aside’ (pp. 15–16, 44, 348).

Unlike American leaders who, beginning with Ronald Reagan, have relied on a kind of ‘militarized Keynesianism’ (increased military spending to increase economic growth), Wilson and his successors took the opposite approach. For them, economics ‘was the pre-eminent medium of American power, military force was a by-product’. It was unnecessary for the United States to deploy ‘the most expensive and technologically sophisticated instruments’ of war. ‘It was enough that everyone knew that it could’ (p. 12). Early in 1917, Wilson planned to use the lever of economic power to force both the Allies and the Central Powers to stop the killing, to accept ‘peace without victory’. With Europe humbled, America would be ‘raised triumphant ... the neutral arbiter’ of a new world order (pp. 53–5).

So, what went wrong?

In a word, Germany. By the time Wilson delivered his ‘peace without victory’ speech, German policy was effectively in the hands of two military commanders: Field Marshal Paul von Hindenburg and General Erich Ludendorff. Neither they, nor Kaiser Wilhelm II, nor other senior figures in Berlin believed that Wilson’s peace offer was serious. Instead, they resumed unconditional submarine warfare, targeting Allied and neutral vessels alike. The irony is that, when Wilson made his offer, ‘Germany still had the upper hand’ on the battlefield, and he had no intention of coming the Allies’ rescue. Doing so, Wilson told a confidant, would be a ‘crime against civilization’. Tooze calls the decision to unleash the U-boats ‘a turning point in world history’, one that confirmed Germany’s reputation as ‘an irrepresible force of violence’. Coupled with the notorious Zimmermann Telegram, in which Mexico was promised the states of Arizona, New Mexico, and Texas if it joined the German side, Wilson had no choice but to ask Congress to declare war. Even then, he was determined that his country would not be identified as one of the Allies; the United States, Wilson insisted, was an Associate Power (pp. 54, 57–8, 65–7).

Tooze suggests that ‘for a fleeting moment’ in 1917, the United States might have joined in a ‘democratic coalition’ with China and Russia following the latter’s February Revolution (p. 88). But this is highly speculative, as is his claim that Lenin’s Bolshevik Russia and the Kaiser’s Germany came close to devising a working alliance, that the Treaty of Brest-Litovsk ending war on the Eastern Front was a ‘good peace gone bad’. Given their ideological differences, it is hard to see how such a partnership could have lasted very long. Lenin embraced the idea of Germany’s ‘state-planned national economy’ only as a ‘stepping stone’ to global revolution. For their part, while officials in Berlin were ‘intoxicated’ by visions of a German empire stretching into Asia, their plans did not include Lenin and his followers. Ludendorff ‘wanted nothing more than to crush the Soviet regime to death’ (pp. 24, 147–8, 170, 199–200).

What saved the Bolsheviks was the Great War’s sudden end with the Armistice of November 1918. Based on Wilson’s war aims, or ‘14 Points’, the American president then added one more condition before he would agree to the truce: Germans must also get rid of their Kaiser. Critics in London and Paris saw that this would make German democrats ‘look like puppets of the enemy’ and, Tooze adds, ‘The European Allies were right’ (pp. 224–5). The ‘14 Points’ – which Japan’s interior minister dismissed as ‘a great hypocritical monster’ (p. 143) – also served as the basis of the Versailles Peace Conference and the resulting treaty with its League of Nations. Tooze rejects claims that Wilson was taken advantage of by his crafty European and Japanese counterparts at the Paris talks. The Italians, though, took a different view. After America’s president rejected their demands, one politician in Rome complained that Wilson, having been diplomatically deflowered by the British and French, was ““remaking his virginity” at Italy’s expense’ (pp. 256, 310).
In like fashion, Tooze says that the failure of the US Senate to ratify the Versailles Treaty was ‘in large part Wilson’s doing’ because he stubbornly refused to accept any amendments to the agreement. Maybe. But it is by no means clear that the Treaty’s other signatories would have gone along with those changes, such as one to restrict British Empire votes in the League of Nations (pp. 335–6). Could it be that Wilson knew he had the best deal he was going to get? The question deserves an answer.

Problems also arise when Tooze considers Germany’s reaction to the Versailles Treaty. Of all its terms, he writes, ‘no “cruelty” of the peace rankled the Germans more deeply than the border settlement in the East’, where territory was taken mainly to resurrect the nation of Poland. Read on, though, and it turns out there was a worse ‘cruelty’, after all: reparations. In fact, ‘the remorseless, inescapable weight’ of reparations, Tooze decides, was ‘even more odious than the territorial provisions of the treaty. Unlike the loss of territory, which directly affected only the border regions, reparations touched every man, woman and child in Germany’ (pp. 280, 288–9).

Nor does The Deluge fully explain Article 231, the Versailles Treaty’s ‘notorious war-guilt clause’. Tooze makes much of the fact that the word ‘guilt’ does not appear in the clause; rather, Germany and the other Central Powers were forced to accept ‘responsibility’ for waging a war of aggression (p. 288). To most people, this is a distinction without a difference. Anyway, the purpose of Article 231 was to establish a legal basis for demanding reparations. Because the Allies could not immediately agree on a fixed sum, however, and because no nation’s resources are infinite, Article 232 made the Central Powers liable only for ‘specified damages’. Taken together, the two clauses made for a ‘pretty fair’ treaty, at least according to the ‘clever’ young American lawyer who drafted them: future Secretary of State John Foster Dulles. But when it came time to pay, Germany’s wartime partners largely slipped out of their obligations, leaving Berlin on the hook.

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Much of the rest of The Deluge is a catalogue of false dawns, as European and Asian leaders looked for ways ‘to stabilize a viable world economy and to establish new institutions of collective security’. Achieving those goals was next to impossible without the active and sustained engagement of the American people, and what they wanted was to ‘keep a distance’ from the rest of the world’s problems (pp. 26–9). Nowhere was this more evident than in the tangled matter of reparations and inter-Allied debt. Even though reparations payments hobbled German and, therefore, European and world economic recovery, they were necessary if the Allies were to pay off their American war loans. Yet officials in Washington refused to accept any such connection. Even a hint that Allied debts might be re-negotiated was enough for Congress to declare that ‘America would not cancel a cent of its claims on Europe’ (pp. 303, 373).

Here, Tooze might have set The Deluge apart by taking a deep dive into the world of international relations during the 1920s. Instead, the further into the decade this book goes, the more problematic it becomes. And the more error-prone. According to Tooze, wartime inflation was tamed only when America’s central bank, the Federal Reserve Board, dramatically hiked interest rates early in 1920. The result was a global economic depression that he calls ‘perhaps the most underrated event in the history of the twentieth-century’. Worldwide, prices dropped, while unemployment surged; in the United States, 20 per cent of those employed in manufacturing were without a job by the end of the year (pp. 28, 345–6, 354). The 1920 depression also broke the momentum of labor unions including, in America, ‘the AFL-CIO’ (p. 342). The problem with this claim is that there was no AFL-CIO in 1920. The Congress of Industrial Organizations was not formed until the 1930s, and it did not merge with the American Federation of Labor until 1955.

The Deluge is littered with errors like this and, while seemingly trivial, they become a major distraction as they add up. In sections on the war, the Versailles Peace Conference, and the Washington Naval Conference the British politician Arthur James Balfour is called ‘Lord Balfour’ (pp. 62, 231, 324, 398). That would have come as quite a surprise to Balfour himself, since he was not elevated to a peerage until 1922. The Cabinet member responsible for US foreign policy is the Secretary of State, not the ‘Secretary of States’ (p. 395). Hindenburg was a Field Marshal, not a ‘Field Marshall’ (p. 494). The Chinese nationalist party is known as
the Kuomintang or as the Guomindang. The use of one or the other is correct; not both.

Sloppy writing betrays sloppy thinking, and The Deluge has plenty of that as well. To prove that British voters had come to view the Great War as a ‘disastrous mistake’, Tooze insists that the 1923 general election centred on keeping the country free of European entanglements. That is simply untrue. The election was fought over Stanley Baldwin’s desire to abandon free trade. Nor is it any more accurate to claim that it took American ‘pushing’ to force Britain back onto the gold standard in 1925. This was the long-term aim of successive British governments since 1919, a point Tooze earlier notes (pp. 358, 465).

Similar lapses also undo what is one of the more praiseworthy efforts of this book. To his credit, Tooze, includes Ireland’s struggle for independence in his account of these years. The problem is that much of what The Deluge tells its readers about Ireland is wrong. British Liberals did not win a landslide in the 1906 election ‘committed to making good on Gladstone’s long deferred promise of Home Rule’ (p. 179). Just the opposite, they quietly buried their pledge of Irish self-government and focused on other issues. Ireland’s 1916 Easter Rising was not the work of ‘Sinn Féin volunteers’ (p. 79). It was the brainchild of the Irish Republican Brotherhood; those involved in the fighting were members of the paramilitary Irish Volunteers or Irish Citizen Army, neither of which had any direct connection with Sinn Féin. Ireland’s parliament is Dáil Éireann – not ‘Dail Eirann’, and the Irish Free State was not a ‘Republic’. If it had been, there would have been no Irish Civil War (pp. 376–7).

Here, too, is one of the most troubling finds in this work. According to Tooze, during the Anglo-Irish War, the chief of Britain’s imperial general staff, Sir Henry Wilson, wanted to flood Ireland with over 100,000 troops (p. 376). His source for this information is something called ‘W. Wilson, Letters, 250, 266–72’ (p. 567). But no such book seems to exist. It may be that Tooze was referring to Keith Jeffery’s edition of Wilson’s military correspondence, which is cited in his previous chapter. Even so, in none of Wilson’s letters does he suggest sending 100,000 men to Ireland. The question has to be asked: If this part of The Deluge cannot be trusted, what does it say about the rest of the book?

In 2006, Antony Beevor published The Battle for Spain, his account of the Spanish Civil War. This was not the first time he tackled the subject; in 1982, he wrote a book by the same name. The 2006 version was not simply an update; it was a complete rewrite, taking advantage of new research. For very different reasons, Tooze might do the same with The Deluge. He has a compelling story, and it is easy to imagine how he could do a much better job telling it. It is hard to imagine how he could do much worse.

Notes


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