Ruptures, Consolidations, Continuities. Reconsidering Global Economic Processes since 1945

Veranstalter: Center for Global Studies, University of Bern; Robert Heinze, University of Bern; Patrick Neveling, Utrecht University
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The 1970s increasingly move into the spotlight of contemporary history research. The decade is often portrayed as one of profound change, a radical rupture driven by watershed moments such as the oil crisis or the end of the Bretton Woods system of fixed currency exchange rates. This is not only the major take on the decade in recent publications by historians such as „Nach dem Boom“ (Raphael & Doering-Manteuffel) or „Age of Fraction“ (Rodgers), but also a well-established analytical approach across the social sciences and humanities.

The international conference „Ruptures, Consolidations, Continuities. Reconsidering Global Economic Processes since 1945“, held at the Centre of Global Studies at the University of Bern, thus was a timely project to engage this paradigm. Over two-and-a-half days, researchers from the social sciences and the humanities came together to question the big “-isms” of 20th century-periodizations, such as Fordism, Post-Fordism, Keynesianism, and Neoliberalism.

In their introduction the conference organizers, Robert Heinze (Bern) and Patrick Neveling (Utrecht), focused on the (im-)possibilities of periodizations on a global scale and put forward a set of critical questions as regards the analytical gains of mainstream periodizations. Arguing from a global perspective, Heinze and Neveling challenged the focus on watershed moments in world history analyses. Instead, they charted a post-1945 global condition largely characterized by uneven and asynchronous developments and they emphasized the distorting effects that current political agendas have on a given nation’s or a given movement’s notion of world-historical rupture and continuity.

JENNIFER BAIR (Boulder) opened the first session of the conference with a discussion of the G-77’s New International Economic Order (NIEO) policy initiative. Discussing the NIEO in regard to its consequences for how development has been conceptualized in global policies since, she questioned the common periodization that sees the NIEO mostly as a failed attempt that marks a rupture in the power of the Global South to impact global policies. Especially in regard to the UN debates and negotiations over the right to development the NIEO benchmarks remain influential. In her presentation on labor regimes in socialist and post-socialist Romania, ALINA-SANDRA CUCU (Berlin) questioned the paradigm of a shift from Fordism to Post-Fordism for the case of state socialism. In fact, since the 1950s the Romanian socialist state relied heavily on rural workers as a cheap and flexible labor force that partially sustained its own subsistence and reproduction. This structure of the Romanian labor force remained largely intact throughout the socialist and postsocialist period and thus serves to question periodizations that suggest a rupture in state-socialist labor regimes in the 1970s as much as research findings on post-socialist Romania that claim a turn towards efficiency and flexibility during the 1990s.

The global spread of export processing zones and special economic zones since 1947 was the subject of PATRICK NEVELING’s (Utrecht) presentation. Contrary to the notion of a transition to neoliberalism in the 1970s he stated that new deal policies were already under attack since the end of WWII and that the zones emerged as a neoliberal project for reorganizing global manufacturing as early as the late 1940s. With the zones spreading globally and attaining the quality of a standardized and widely supported export-oriented devel-

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2 Some of the most widely cited works in this regard are: David Harvey, The condition of postmodernity an enquiry into the origins of cultural change, Oxford 1990; David Harvey, A brief history of neoliberalism, Oxford 2005.

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development policy around 1970, Neveling concluded that the 1970s should be seen as a period of consolidation rather than rupture.

The second session of the conference opened with GISELA HÜRLIMANN (Zurich) analyzing 20th-century Swiss taxation policies in a changing national and international context. Switzerland’s federalist structure continues to attract foreign companies because the various canton’s offer a range of preferential taxation regimes. This variation dates back to the early 1900s, when it was adapted from US and other national regulations to maintain Switzerland as an attractive location for national manufacturers. By the 1950s, however, international corporations made increasing use of Swiss facilities and the country was increasingly blamed for being a tax haven. Whereas efforts by the EEU and the OECD to tackle tax competition increased in the 1990s and Switzerland implemented OECD standards in 2010, Hürlimann demonstrated how changes in transnational fiscal and financial practices and Swiss preferential tax regimes have been interconnected since the post-WWII boom years and thus constitute a continuity throughout the second half of the 20th century.

KEAN FAN LIM (Nottingham) analyzed the historical backgrounds and continuities in the ongoing internationalization process of the Chinese currency, the Renminbi (RMB). In contrast to many academics and policymakers arguing that this process was a linear and teleological movement towards free currency convertibility, his findings revealed that a new monetary standard is not in the making and that fiscal policies established during the Mao era remain drivers of Chinese currency policies.

LEON FINK’s (Chicago) talk opened the third session and focused on the tension between labor movements and free trade ideology and practices. Criticizing a periodization, which sees a 1970s rupture between a Boom Era and Neoliberalism, he put emphasis on the tensions between the ideology and the practice that have shaped national and international trade union movements already since the end of WWII. Since then, unions have adapted to and have supported free trade policies, often by incorporating such policies in a social-democratic vision of strong unions and redistributive politics. Only when „globalization“ eroded this consensus in the 1990s, the labor movement and the unions reverted to protectionist claims.

ROBERT HEINZE (Bern) questioned the predominant narrative of a developmental period in African history beginning in the 1940s and ending with a neoliberal restructuring after 1973. Heinze reconstructed how Belgian colonial urban planning in Kinshasa since the 1940s underestimated the need for public transport infrastructure and thus nurtured an informal economy, which continues to serve urban commuters until today. Such developments pertain to many other large-scale colonial infrastructure development projects in Africa, and a comparative analysis of the relevance of African (and not external development related) social and economic initiative reveals a continuity of dependency rather than the 1970s rupture identified by Frederic Cooper and many other historians of Africa.

Concluding the panel, GEORGE BACA (Busan) challenged the vision of the first decades since the 1940s as a golden age of Keynesian policies and what David Harvey identifies as a restoration of class power since the turn towards neoliberalism in the 1970s. Instead, in the US as much as in other capitalist regions, those were decades of restoration in global capitalism following the upheavals of the Great Depression and WWII. Baca showed this in detail for the example of South Korea, where US development policies aimed for industrialization after the Korean War, whereas a series of South Korean dictators used US funds to nurture the interests of rent seeking elites before a coup d’état in 1961 and the State Department’s turn to Rostowian policies heralded export-oriented industrialization. The South Korean democracy movement of the 1980s expanded such neoliberal policies to consolidate the power of the Chaebol and thereby conclude a process begun in the 1940s already.

CATHERINE SCHENK (Glasgow) opened the fourth session with a reconsideration of changes in the global economy during the 1970s from the perspective of international monetary regimes, international banking regulations and international capital markets. In these three arenas, Schenk found that once
interactions between developing economies and advanced industrials countries are accounted for, the end of the Bretton Woods system in 1971 only partially meant free floating exchange rates and a transition to financial liberalization. In fact, neither major nations in the European Economic Community nor the East Asian newly industrializing nations such as Singapore let their currencies float freely. For the latter, the 1970s were in fact years of economic booms as new state investment policies and banking regulations attracted international capital on considerable scale. RÜDIGER GRAF (Potsdam) reviewed another crucial aspect of supposedly watershed-like quality, the first oil crises in 1973/74. His analysis of how Western politicians and Western publics reacted to the politics of the Organization of the Petroleum Exporting Countries (OPEC) instead revealed a range of contemporary perceptions. Besides notions of crisis, political and public debates in the 1970s often referred to expert assessments about the consequences of a possible embargo by OPEC-countries. These had been a mainstay of policy planning since the 1960s at the latest and meant that European and other governments already had plans in place to reduce their dependency on petroleum well before the first oil crisis. CHRISTIAN GERLACH (Bern) analyzed changes and continuities in the 1970s global grain economy. The world food crisis (1972-1975) had profound impact on the world grain markets as it led to an expansion of trade volume, commercialization, and capital concentration. At the same time the socialist and the non-industrialized countries became major importing regions. What is more, in terms of development policies the 1970s were the takeoff years for the basic needs strategy and a small peasants approach - in terms of national agricultural policies, the impact of these new development strategies is questionable, however.

In the last session, MALLIKA SHAKYA (New Delhi) discussed the paradigm of a 1970s global rupture in regard to Nepal’s history since WWII. With reference to Michael Herzfeld’s concept of crypto-colonialism, Shakya identified Nepal as a late-comer nation where a postcolonial period replacing the Hindu monarchy only emerged from a powerful trade union movement in the garment industry during the 1990s and led to the Maoist uprising in the 2000s. She drew attention to the fact that there are other such latecomer nations, South Africa and Thailand for example, and that a global perspective on economic processes since 1945 should account for the trajectories of these nations, too. JEFFERSON COWIE (Nashville) analyzed the changing tides of populist politics in the US with a view to Donald Trump’s recent ascendancy in the Republican Party. While there is a continuity of populism throughout US history in the 20th century, this was kept in check during a long period of redistribution of wealth from the 1930s to the 1970s. The 1970s crisis did, however, have a delayed impact as the rise of a white, male, and pessimistic precariat only began during the 1990s. Trump’s victory in the Republican primaries is the moment when continuity turned into rupture.

The conference stimulated fruitful discussions about the possibilities and problems of periodization. While some presenters advocated a comprehensive analysis of global capitalism in an extension of the world-systems paradigm, others opted for an analysis of specific terms to distinguish political and economic spheres and phenomena. In so doing both perspectives converged, however, in their search for a framework that connects the First World, the Second World, and the Third World empirically and analytically. Such a global perspective reveals, not least, that periodizations of global economic processes should account for the power of actors as much as for the (in-)visibility of crises and ruptures. Whereas the analytical value of the concept „consolidation” was met with skepticism by some participants, there was agreement on the usefulness of giving equivalent attention to rupture and continuity in world-historical enquiries so as to attain a differentiated and comprehensive perspective on the 1970s as much as on the 20th century more generally.

Conference Overview:
Robert Heinze (Bern), Patrick Neveling (Utrecht): Introduction

Session I
Chair: Luisa Piart (Bern)
Jennifer Lynn Bair (Boulder): „Whose Right to Develop? The NIEO, the United Nations and the Emergence of the Human Right to Development“
Alina Cucu (Berlin): „Fracture and Endurance in the Temporal and Territorial Logics of Socialist Industrialization“
Patrick Neveling (Utrecht): „Relocating Capitalism, Consolidating Neoliberalism: The Global Spread of Export Processing Zones and Special Economic Zones since 1947“

Session II
Chair: Patrick Neveling (Utrecht)
Gisela Hürlimann (Zurich), „No Moral Issue Whatsoever? The Global Economy and the Entangled Swiss Worlds of Taxation, 1950s Onwards“
Kean Fan Lim (Nottingham), „On the Geographical-Historical Conditions of RMB Internationalization“

Session III
Chair: Jonas Flury (Bern)
Leon Fink (Chicago), „Neoliberalism Before Its Time? Labor and the Free Trade Ideal in the Era of the „Great Compression“, 1945-1972“
Robert Heinze (Bern), „Plus ça reste, plus ça change“: Infrastructure and the Periodisation of African Economic History“
George Baca (Busan), „Keynesianism’s Imperialist Underbelly: Witch-Hunts and Miracles in South Korea“

Session IV
Chair: Stella Krepp (Bern)
Catherine Schenk (Glasgow), „Reinventing the International Monetary and Financial System in the 1970s: Continuities and Complexities“
Rüdiger Graf (Potsdam), „A Turning Point in Energy History and International Relations? Reviewing the First Oil Crises 1973/74“
Christian Gerlach (Bern), „The Global Grain Economy in the 1970s: Changes and Continuities“

Session V
Chair: Magaly Tornay (Zurich)
Mallika Shakya (New Delhi), „Different Ruptures – Trade Union Movements in the Global South“
Jefferson Cowie (Nashville), „Global Economics, Local Identities: The U.S. Political Backlash from Truman to Trump“