# Roundtable

Issue 16, April 2024

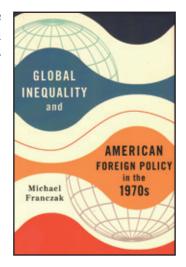
Michael Franczak, Global Inequality and American Foreign Policy in the 1970s (Ithaca, NY: Cornell University Press, 2022). ISBN 9781501763915 (Hardcover \$49.95)

#### Contents

Introduction by Simon Miles, Sanford School of Public Policy, Duke University

Review by Sean T. Byrnes, Western Governors University

Review by Ryan Irwin, University at Albany–SUNY Review by Laura Kolar, U.S. State Department Review by Umut Özsu, Carleton University Author's Response by Michael Franczak,



International Peace Institute and University of Pennsylvania

#### Introduction by Simon Miles, Sanford School of Public Policy, Duke University

How should we draw the dividing lines of the Cold War? To most, the natural cleavage is between East and West: pitting the U.S.-led capitalist camp against the Soviet-led communist bloc. To Michael Franczak, making the case in his *Global Inequality and American Foreign Policy in the 1970s*, there is another dichotomy to which historians must be attuned: between the haves of the North and the havenots of the Global South.

Flush with cash from the oil price-hikes of the early 1970s and other raw-material exports, the states of the Global South banded together to demand a renegotiation of the post-World War II international economy. Dubbed the New International Economic Order (NIEO), this new vision of markets and wealth-distribution led to a series of talks until the early 1980s. Franczak traces how and why U.S. policy towards this North-South dialogue evolved, using a wealth of archives

and interviews with key policymakers. This is a very different picture of the 1970s than most accounts of that pivotal decade in the Cold War, which focus on superpower détente and its discontents—the Soviet Union played only a minimal role in the North-South dialogue and the global debate over the NIEO; and the key commodities of power in Franczak's telling are not nuclear warheads and their delivery vehicles, but rather oil and food. These questions preoccupied a string of presidents: Richard Nixon, Gerald Ford, Jimmy Carter, and Ronald Reagan. Not only does Franczak tell a different story of the Cold War's penultimate decade, he does it with style: Global Inequality and American Foreign Policy in the 1970s is as rewarding to the reader for its innovative analysis as it is for its well-crafted prose.

So it should be no surprise that the four reviewers in this roundtable are in agreement about the book's many strengths. Sean Byrnes heralds Franczak's shedding light on a period of history that still weighs heavily on contemporary public-policy challenges concerned with global economic inequality in what remains a U.S.-led—albeit not without challengers—international economic order. This is an important and well-told story, Byrnes affirms, that highlights important continuities across four presidents often presented as being highly different. Ryan Irwin is suitably impressed by how "expertly" Franczak explores the birthing of now-familiar ideological concepts like neoconservatism, neoliberalism, and human rights. He highlights Franczak's controversial interpretations of figures who loom large in the historiography of U.S. foreign relations, like Henry Kissinger (on whom Global Inequality and American Foreign Policy in the 1970s is rather more bullish than is the norm) and Jimmy Carter (of whom Franczak is more critical than many). Laura Kolar lauds Franczak's "critical contribution" to how we think about the role of the United States in the world during the 1970s, and above all how the push for a NIEO by the states of the Global South shaped U.S. foreign policy decision-making writ large. She notes that questions like food policy, which Franczak centers, are all too often left on the margins of international history, making Global Inequality and American Foreign Policy in the 1970s a valuable corrective. And Umut Özsu applauds Franczak's "prodigious research" and his work to foreground the debate within the U.S. government over how to engage with the concept of global economic justice.

Of course, the reviews offer many provocative reactions to Franczak's work and raise valuable questions for future work on the topic. First, who actually played a decisive role in the North-South dialogues over the NIEO? Kolar calls on Franczak to offer more information on the North-North dialogue that took place in the context of North-South debates over the NIEO. She focuses, in particular, on the

role of Europe in these debates, whose economic model emerged from the 1970s as the dominant international example. Özsu, in a similar vein, wonders if the Soviet Union is not getting short shrift in Franczak's analysis. He rightly points out that the Kremlin saw the United Nations, a key battleground in Global Inequality and American Foreign Policy in the 1970s, as a critical place to wage the Cold War.

Second, is the story of the NIEO as squarely an economic one as it is portrayed in Global Inequality and American Foreign Policy in the 1970s? Özsu wonders what more there is to be said on the international law front. He points, in particular, to the United Nations Conference on the Law of the Sea, in which the U.S. position conflicted sharply with that of the Global South participants over the question of far-offshore natural resource extraction rights. Byrnes similarly raises the question of the role of the United Nations, suggesting that the debates surrounding the NIEO were a part of a broader challenge for U.S. foreign policy: the United Nations itself, and above all the Global South's very many General Assembly votes. He also draws our attention to the question of public opinion in the United States, and what the U.S. electorate would and would not support when it came to international economic reordering.

Third, and finally, how should we think about what came at the tail-end and after Franczak's work? Irwin wishes for more of a treatment of the Reagan administration, which might illuminate in more detail how the question of the NEIO and the North-South dialogue writ large resolved themselves. Here, he is looking past Franczak's story about "how and why the United States got its mojo back after the Vietnam War" and to the present. And this is indeed a story of great consequence not just for how we think about the history of U.S. foreign relations, but also the present situation in which American policymakers find themselves, for better or for worse.

In his response, Franczak gets back to basics: the two questions motivating the study, how U.S. policymakers responded to the NIEO, and what the legacies of the NIEO are for U.S. foreign policy today. But, he notes, once books leave the printing press and the bookseller's warehouse and shelves, they tend to take on a life of their own; and sure enough, each of the four reviewers in the roundtable that follows honed in on different aspects of the book.

## Review by Sean T. Byrnes, Western Governors University

Though it is little remembered today, for a time in the second half of the 20th century the "North-South dialogue" was among the more prominent foreign policy concerns of the United States. It worried politicians and policymakers from Henry Kissinger and Daniel Patrick Moynihan to Zbigniew Brzezinski and Alexander Haig—occupying time on the calendar of four presidents and representing a meaningful threat to the U.S.-dominated world order. The American response to that threat is the focus of Michael Franczak's Global Inequality and American Foreign Policy in the 1970s, an important contribution to the history of U.S. foreign policy in the period that sheds light on the origins of the international system of the present.

Beginning in the 1960s, the nations of the global "South," or what was often called the "Third World," began to aggressively question the justice of the world order established after World War II. Generally poorer, less industrialized, and less economically dynamic than the industrialized "North," Southern nations were also often former colonies as well, long subject to an economic structure designed to enrich Northern metropoles at their expense. The primary venue for their challenge was the United Nations General Assembly (UNGA). There, the majority rules and a swelling number of post-colonial states granted the global South an ability to force consideration of issues the global North had no desire to discuss. These were generally related to the pernicious legacies of imperialism: surviving imperial and successor white supremacist regimes in Africa, the Israeli-Palestinian conflict, and an unequal global economic system that resembled the old imperial order. While some in the South disagreed on the relative importance of the first few issues, they all agreed on the latter, making it the heart of their critique of the North.

In 1974 the critique transformed into a strident demand for reform when the UNGA passed, over Northern objections, a "Declaration on the Establishment of a New International Economic Order," or "NIEO." This was a call for a radical restructuring of the global economy, founded on the transfer of resources and political authority from the North to the South. U.S. intransigence might have left the NIEO as a mere interesting footnote in UN history if not for the success of the Arab oil embargo against the United States a year earlier. Together, the two developments created the possibility that Southern energy producers could hold the industrialized North hostage until it agreed to the NEIO's reforms. That the NIEO ultimately failed to transform the global economy in the way its organizers intended belies the impact it had at the time, and the complicated legacies its emergence and failure left in its wake.

Over the past decade, scholars have begun to take these momentous events more seriously. Yet close considerations of the relationship between the United States and the South's campaign for reform have remained relatively limited.<sup>2</sup> Franczak's book seeks to address this need, exploring the real danger U.S. policymakers saw in the NIEO. Far from being a minor issue, the Southern demand for reform forced the Nixon, Ford, Carter, and Reagan administrations to respond, taking steps, as Franczak puts it, to "defend, sometimes concede, but ultimately consolidate US hegemony over" the world economy.

Franczak finds that U.S. policies showed a modicum of flexibility in this quest at first before taking a more dogmatic turn in the early 1980s. While unwilling to give in on the substance of the NIEO, policymakers in the 1970s endeavored to find compromise where possible. National Security Advisor and later Secretary of State Henry Kissinger was surprisingly ardent in this regard—the first high-level official to take the Southern challenge seriously and the primary author of the American response throughout the Nixon and Ford administrations. Though he remained as ruthlessly cynical about global economic inequality as one might expect, Kissinger demonstrated a willingness to concede rhetorical ground to the NIEO's supporters if it could help preserve American global leadership. He promised, for example, U.S. support for measures to stabilize the global food market (which U.S. production dominated) in return for compromises on energy costs-much to the dismay of the Ford administration's neoliberals. Kissinger also committed the United States to explore establishing a "Common Fund for Commodities," a key part of the NIEO's program for reforming global commodity markets. Kissinger was hardly enthused about commodity regulation, of course, but he was willing to pretend.

<sup>&</sup>lt;sup>1</sup> See, among others, Giuliano Garavini, After Empires: European Integration, Decolonization, and the Challenge from the Global South, 1975-1986 (New York: Oxford University Press, 2012); Adom Getachew, Worldmaking After Empire: The Rise and Fall of Self Determination (Princeton: Princeton University Press, 2019); Humanity: An International Journal of Human Rights, Humanitarianism and Development 6, no.1 (2015); Vijay Prashad, The Darker Nations: A People's History of the Third World (New York: The New Press, 2007); Quinn Slobodian, Globalists: The End of Empire and the Birth of Neoliberalism (Cambridge: Harvard University Press, 2018); Christy Thornton, Revolution in Development: Mexico and the Governance of the Global Economy (Oakland: University of California Press, 2021).

<sup>&</sup>lt;sup>2</sup> For exceptions see: Sean T. Byrnes, Disunited Nations: US Foreign Policy, Anti-Americanism, and the Rise of the New Right. (Baton Rouge: Louisiana State University Press, 2021), which provides a different, yet complimentary, account of the U.S. and the North-South dialogue; and Daniel Sargent's A Superpower Transformed: The Remaking of American Foreign Relations in the 1970s (New York: Oxford University Press, 2015), which also covers some aspects of the U.S. response to the NIEO as part of a larger discussion about U.S. foreign policy in the 1970s.

The Carter administration adopted a fundamentally similar approach—seeking to find compromise without major concessions—though, as Franczak notes, its relative sincerity had the effect of making it appear more parsimonious. While Kissinger made promises he had no intention of keeping, the Carter administration sought agreement based on what it hoped to actually deliver, attempting to shift the North-South dialogue away from market reform and towards development efforts supporting "basic human needs." The latter stressed bettering the lives of the world's poorest individuals—increasing their access to food, housing, education, and healthcare—pushing to the side the NIEO's focus on improved macroeconomic performance for the world's poorest states. One of the strengths of Global Inequality can be found here, in its detailed account of Carter's "comprehensive and chaotic" approach to North-South issues.

Efforts to find compromise with the South ended, however, with Ronald Reagan's arrival in the White House in 1981. Deeply skeptical of even engaging in North-South discussions, the administration leveraged collapsing commodity prices and the emergence of a debt crisis in the Third World to undercut Southern solidarity. By 1983 the North-South dialogue had dropped off the Reagan administration's radar: a reflection not just of its own ideological predilections but also the fact that the NIEO's moment had already passed, setting the stage for the neoliberal order that remains dominant in our own time.

This is an important story, and Franczak tells it well. His primary focus is U.S. responses to the NIEO itself, a sensible approach that comes with some significant advantages. Most valuable is the attention it draws to the consistency in U.S. policy. For all the flexibility discussed above, the real constant was the United States' strenuous resistance to economic reform in North-South relations. Every effort at developing new methods for redistributing wealth and economic decision making was met with either Kissengerian realpolitik masked as genuine concessions, Carter's attempt to rebrand essentially traditional foreign aid as something new, or sermons about the virtues of the market from Ronald Reagan. Given this common resistance to significant reform, Franczak's general emphasis on consistency is convincing. It also provides him the foundation for a provocative conclusion about how inequality has evolved and globalized in the decades that followed the NIEO's demise.

That granted, there are benefits to approaching this history somewhat differently, looking, for example, at the United States' response to the Southern challenge in the United Nations more broadly. Such a perspective allows us to see more clearly

how deeply interconnected the NIEO was with issues like white supremacy in Africa and the Arab Israeli conflict. This is not to say that Global Inequality loses track of this interrelationship, but to suggest that a more UN-centered approach can reveal a more complex and interrelated view of developments and lead to some alternative conclusions. The Carter administration, for example, deserves somewhat more credit for improving the overall tenor of the North-South dialogue than it receives in Franczak's account. Though little real progress was made on economic substance, Carter's efforts to help end white minority rule in Rhodesia/ Zimbabwe and Andrew Young's impact as U.S. ambassador to the United Nations did yield important results (particularly when framed against what followed in the Reagan years).3 We can also see that for U.S. policymakers, the NIEO was always, in part, a UN problem. American efforts to respond therefore emerged from, and were shaped by, an internal U.S. government discussion about the Third World majority in the UNGA that dated at least to 1971 (when the Taiwan-based Chinese nationalists were expelled from China's UN seat).4

A focus on the UN also makes it easier to keep eyes on another critical participant in the North-South dialogue: the American public. While politically active U.S. citizens were unlikely to comment on the NIEO, they did have quite a few opinions about the UN and its Southern majority, opinions that formed a critical limiting factor on U.S. policy. Here it is important to emphasize the discontinuities in the U.S. response, the degree to which the Nixon/Ford, Carter, and Reagan administrations represented significantly different conceptions of the U.S. role in world order. While from one perspective all successive U.S. approaches were the same—to negate the NIEO—they did vary significantly in the extent of their willingness to acknowledge American responsibility for global inequality. While it is hard to imagine the U.S. voting public then (or now) endorsing anything like what the NIEO proposed, highlighting the differences between the four administrations reveals the degree to which other alternatives to neoliberal hegemony were possible.<sup>5</sup>

None of this is meant to indicate shortcomings in Franczak's book, but to highlight areas for exploration in what will, no doubt, be a fruitful continuing discussion of this critical topic. All told, Global Inequality and American Foreign Policy in the 1970s is an important study, providing insight into both U.S. foreign policies in the 1970s and the emergence of the current world order. It should be required reading for all students of late 20th-century history.

<sup>&</sup>lt;sup>3</sup> See Byrnes, Disunited Nations, 137-59.

<sup>&</sup>lt;sup>4</sup> Ibid., 41-77.

<sup>&</sup>lt;sup>5</sup> Ibid., especially, 6–11, 190–95.

#### Review by Ryan Irwin, University at Albany—SUNY

We live in the world that the 1970s made. Michael Franczak's Global Inequality and American Foreign Policy in the 1970s is the latest work to double-down on this premise. Crafted as a political history of elite decision makers, the book explores how four presidential administrations navigated one of that decade's most intractable debates: Why are some nations rich and others poor?

Franczak's story takes off in 1974. That year, UN member states hailing from Africa, the Middle East, Asia, and Latin America asked this question to the international community, arguing for a New International Economic Order (NIEO) in which raw materials would be worth as much as capital and technology. The NIEO rested on a conceptual binary, reasoning that the poorer global "South" possessed raw materials and the "North" controlled money and technology, and that fairer transactional relations between these two sides would redistribute global wealth, thereby creating a better planet wherein all people enjoyed the dividends of modernization.

Historians have not overlooked the NIEO, but the literature has tended to focus on the plan's champions. For example, Christopher Dietrich's Oil Revolution (2017) asked how decolonizing countries learned to weaponize natural resources, and Christy Thornton's Revolution in Development (2021) explored why international organizations became so crucial to this conversation about world equality. Adom Getachew's Worldmaking after Empire (2019) framed the NIEO as the culmination of a generational debate about the right to self-determination, and Samuel Moyn's Not Enough (2018) situated the project in the context of the global human rights movement. The NIEO shows up in Quinn Slobodian's Globalists (2018) primarily as a foil for neoliberal theorists, and it is in the backdrop of Daniel Sargent's A Superpower Transformed (2014), threatening U.S. foreign policymakers as they redouble U.S. supremacy.

Franczak puts a twist on this story. Shifting attention from UN member states to U.S. policymakers, he argues that the fight against the NIEO birthed assumptions that shaped U.S. grand strategy after the Cold War. In his words, "[T]he NIEO's major significance was not the threat of it actually being enacted lock, stock, and barrel but [its] very real and immediate effects on US global leadership" (3). Using materials in presidential libraries and personal papers, plus some interviews with contemporary U.S. policymakers, Franczak explores the ways Democrats and Republicans tried to pacify the NIEO during the 1970s. These policymakers introduced novel policies on everything from food and finance to human rights and foreign aid, and even though these initiatives failed, they created new coalitions among experts in Washington, which breathed life into now-familiar ideological categories like neoconservatism, neoliberalism, and human rights. Without the NIEO, these coalitions would have emerged differently, and U.S. elites might have used a different set of tools and arguments to reconsolidate U.S. hegemony after the 1970s.

Each section of Global Inequality and American Foreign Policy in the 1970s explores this premise expertly. The first three chapters reassess Henry Kissinger's reputation. Historians have often maligned Kissinger for supporting Third World dictators who abused human rights, but Franczak offers a more positive reading, lingering on Kissinger's dexterity and his willingness to negotiate with the NIEO's advocates. When OPEC raised oil prices in 1973, U.S. critics cited U.S. food policy as a cause of the global food crisis. Kissinger turned the tables swiftly at the 1974 World Food Conference, promising a global food bank while insisting that OPEC's actions not Washington's policies—had increased fertilizer prices, thereby exacerbating the food crisis affecting the Third World. According to Franczak, neoliberalism took shape in the shadow of this chess game. Some U.S. economists believed that Kissinger was playing fast and loose with market principles to score points against the Third World. As this criticism cohered, Kissinger pivoted, restitching frayed partnerships in Europe and Japan so that the countries targeted by the NIEO might respond together from a position of relative strength. Kissinger questioned neither the sovereignty of new UN member states nor the premise that national states might dictate the workings of capitalism. This set him apart from people like Daniel Patrick Moynihan, who framed the NIEO as a civilizational threat to the West at the United Nations. For Franczak, neoconservatism, like neoliberalism, cohered in this moment as a criticism of Kissinger, who wanted to beat the NIEO without dismissing its demands as illegitimate.

Franczak's next three chapters explore the failures of Jimmy Carter. Unlike Barbara Keys's Reclaiming American Virtue (2014), which treated Carter as the great synthesizer of the American human rights movement, Global Inequality and American Foreign Policy in the 1970s characterizes Carter's foreign policy as confused and inconsistent. Nudged by a think tank called the Overseas

Development Council, Carter eventually presented basic human needs as a conceptual alternative to international economic equality, and he did so while empowering Zbigniew Brzezinski to elaborate Kissinger's grand strategy vis-àvis Western Europe, Canada, and Japan. This duality—between rhetorical change and strategic stasis—angered some and perplexed others, and Franczak uses Latin America as a case study to explain the ensuing backlash. His key claim is that Carter worsened the backlash that started under Kissinger. Abroad, UN member states clapped back at Carter's rhetorical jujitsu, insisting that the human need kept power in the North's hands. At home, neoliberals and neoconservatives scoffed too, characterizing Carter's policies as weak and inefficient. He was placating the South in ways that not only squandered U.S. economic advantages but also tolerated the wrong-headed premise that poor countries were always virtuous. With aides struggling to square the language of human need with the traditions of bilateral diplomacy, Carter's balancing act became increasingly untenable over time. Whereas Kissinger tried to negotiate from a position of strength, Carter offered a utopia that nobody wanted and few understood.

As Carter's vision crumbled, Ronald Reagan married neoliberalism to neoconservativism, ideologies that had blossomed in opposition to U.S. foreign policy toward the NIEO during the 1970s. Once elected, Reagan changed U.S. foreign policy by driving a wedge between human needs and human rights. In part, Franczak's final chapter is an exploration of why Moynihan's civilizational talk became the lingua franca of American power. But the chapter also explains how Reagan's economic advisors sold entrepreneurship—in a global environment of market-friendly rules—as an alternative to both human need and interstate equality. If Reagan's embrace of neoconservatism empowered theorists like Jeane Kirkpatrick, who used civilizational language to invent distinctions between right-leaning dictators and left-leaning dictators, his embrace of neoliberalism emboldened those who believed that the United States' malaise was unrelated to postwar decolonization and reconstruction. The true culprit was unsound U.S. fiscal and monetary policies. Ipso facto, the United States would regain its dominance once states adopted public policy that aligned with market interests. This argument gained traction as the Third World's debt crisis came into focus in the early 1980s, and Franczak ends by acknowledging the efflorescence of American triumphalism in these years. The NIEO failed to make the world more equal, but that decade-long fight did convince a cross-section of powerful Americans that the United States would only ever be as weak as it chose to be.

This third act is underdeveloped. Whereas Kissinger and Carter get three chapters apiece, Reagan gets one. In this respect, Franczak's temporal focus on the 1970s delimits the book's argument, which is about U.S. global leadership. Reagan emerges as the winner—this last chapter is where everything comes together to reveal the new logic of the post-Cold War American hegemony yet the chapter is short and lacks the depth of evidence that characterizes the book's other two sections. Two more chapters would have balanced the narrative nicely, adding precision and complexity to the denouement. Global Inequality and American Foreign Policy in the 1970s also would have benefitted from a sharper review of the historiography. We now know a lot about the 1970s, and Franczak refers to the recent literature without revising any particular interpretation. The reader is left to ponder: How does this tale change the claims in Daniel Sargent's A Superpower Transformed (2015) or Hal Brands' Making the Unipolar Moment (2016). What can historians learn from Franczak's approach that they will not learn in Amy Offner's Sorting Out the Mixed Economy (2019). Are certain claims now commonplace? Is anything contested? An informed reader will grasp the significance of Franczak's conclusions about Kissinger and Carter, but not because he argues those conclusions as significant.

If Franczak had attacked the historiography directly, Global Inequality and American Foreign Policy in the 1970s probably would have emerged with an even bolder intervention. The book is not really about the NIEO; it is about how powerful Americans relearned the methods and language of world dominion after decolonization. Arguably, U.S. leaders nurtured decolonization because they assumed the United States would always shape the United Nations. When this assumption fell apart in the mid-1960s, Americans picked up the pieces slowly. Some books tell this story from the perspective of the poor, asking us to criticize U.S. empire and recognize the fungibility of words like neoliberalism, neoconservatism, rights, and sovereignty. Franczak pulls us in a different, equally important direction, illuminating how powerful individuals refreshed old claims about capitalism and civilization, paving the way for an international system that was noisier yet less democratic. By lingering on this process from an elite American perspective, Franczak explains how and why the United States got its mojo back after the Vietnam War—and this story ranks among the most important of the late 20th century. Politics matters, then and now, and our political horizon line is often whatever we make it.

#### Review by Laura Kolar, U.S. Department of State

The views expressed here are the author's own and do not necessarily represent the views of the U.S. Department of State or the U.S. government.

Michael Franczak's recent book, Global Inequality and American Foreign Policy in the 1970s, is a critical contribution to our conceptualization of this period in American and global history. In 1974, an "emerging Third World coalition in the United Nations" proposed a New International Economic Order (NIEO) that sought to "redistribute both economic resources and political power from the North—that is, the United States, Canada, western Europe, and Australasia—to the South—everyone else, with the exception of the Eastern bloc" (2). The terms and mechanisms of this redistribution were to be established and agreed upon through a structured North-South dialogue and negotiations within the United Nations and other relevant institutions. This dialogue and these negotiations effectively ended during the Reagan administration, and the Third World did not achieve the NIEO, as Franczak and others have asserted. The point of this book, however, is not the failure of the NIEO and meaningful North-South dialogue. Rather, Franczak convincingly shows us that those efforts fundamentally shaped U.S. foreign policy decision-making during the 1970s and early 1980s, and that the legacies of developed world policies (especially U.S. ones) toward the North-South relationship from this period continue to shape the contours and conditions of our modern world.

Franczak traces the rise and fall of the NIEO and North-South dialogue over seven well-researched and fascinating chapters. He demonstrates how the food and energy crises of the 1970s were fundamentally linked, and developing countries disproportionately felt the resulting burden of food insecurity. While food policy has been a marginal issue in foreign policy histories focused on the Cold War and national security, Franczak illustrates how it played a central role in Secretary of State Henry Kissinger's negotiations with the Organization of the Petroleum Exporting Countries (OPEC) and the Group of 77 (G-77), and how North-South relations became a central feature of Kissinger's understanding of national security, not tangential to it. Franczak further analyzes the important role "North-North" cooperation (particularly with European allies) played in establishing U.S. positions toward the NIEO and North-South relations. While

the interests and priorities of European countries and the United States did not always align, Franczak shows that the crises of the 1970s and push for Third World recognition in international institutions "strengthened rich-country cohesion" not least in the creation of the G-7 (then the G-6) in 1975. He also examines the rise of the neoconservative movement in the United States and its impact on U.S. foreign policy and U.S. positions toward the NIEO through Daniel Patrick Moynihan's tenure as U.S. ambassador to the UN under Kissinger. Franczak highlights the tensions between the two men's approaches to North-South relations and Third World demands.

Franczak then examines the Carter administration's foreign policy toward the developing world as a key driver of North-South dialogue, which included an emphasis on human rights, a desire to take North-South relations seriously, and the centrality of addressing "basic needs," such as the importance of eliminating hunger and poverty. The author focuses on Carter's policies toward Latin America as an important case study of these priorities, illuminating the challenges of implementing policies in complicated circumstances, such as a mounting Latin American debt problem. Ultimately, Franczek demonstrates that despite good intentions from the Carter administration, the attempt to launch a North-South dialogue floundered. As the South advocated for structural change in international institutions to better support developing countries, U.S. officials continued to resist this approach, instead focusing on addressing "basic needs." Here Franczak makes an important point of contrast between Kissinger's approach to North-South relations and that of the Carter administration: "The irony is that Kissinger may have been less sincere about his concern for the South's plight, yet he was much more willing to meet the South on its own terms in the dialogue" (173).

Finally, Franczek details the Reagan administration's opposition to the NIEO and continuance of a North-South dialogue, despite its agreement (at other G-7 members' insistence) to participate in a North-South Summit held in Cancun in October 1981. The Cancun Summit did not advance the dialogue in any significant way—it marked "yet another North-South anticlimax"—and the onset of an acute debt crisis in the developing world in 1982 effectively spelled the end of any real progress on global negotiations (185). In the end, Franczak tells us, over the course of the 1970s and early 1980s, "US officials' focus on defeating the South's proposals

for global reform left them blind to the global crisis brewing right in front of them" (190). Instead of achieving international institutional and economic reform, developing countries had to contend with a devastating economic crisis, creating a "lost decade" in many parts of the Third World, as Franczek highlights.

This important analysis of the developed world's responses to the Third World's call for political dialogue on economic reform places this history and international economics at the center of foreign policymaking in the 1970s, alongside Vietnam, detente, and other crises such as the Iranian hostage crisis and the Soviet invasion of Afghanistan that marked the decade. Franczak uses his extensive research in the records of major figures and high-level decision-making to demonstrate that North-South relations was a central feature of foreign policymaking in the 1970s, a decade that we increasingly understand as a pivotal moment in the shaping of modern foreign relations.

Franczak also shows the critical importance of domestic influences on foreign policymaking in each of the U.S. administrations he covers, demonstrating how political and economic ideologies, Congress, and U.S. public opinion shaped U.S. approaches to the NIEO and North-South dialogue. Kissinger's approach to working with the Third World, while not acceding to NIEO priorities, included a willingness for institutions and governments to intervene in global economic affairs. This willingness stood in tension with free market ideologies of other U.S. officials, such Earl Butz, agriculture secretary during the Nixon and Ford administrations, and Alan Greenspan, chairman of the President's Council on Economic Advisers under Ford. This tension ultimately undermined Kissinger's efforts. In Franczak's discussion of Moynihan at the United Nations and the origins of neoconservatism, Franczek demonstrates how domestic movements, such as the rise of the New Left, frustrated Moynihan and shaped his increasingly critical approach to the developing world.

During the Carter administration, officials worried they did not have congressional or public support for policies that would redistribute global resources and power and thus did not push that agenda. This hesitancy included the Common Fund agreements, which Franczak notes Carter never sent to Congress for ratification in 1980 because it was an election year. Finally, Franczak analyzes the Reagan Revolution and the cultural and political framing of the administration's international economic policy, driven by a "procorporate, domesticist" agenda and market reform (181). Reagan "viewed foreign aid in the same way he viewed welfare

programs at home: they only encouraged dependency and stagnation," Franczak writes, providing us with critical connections between domestic ideologies and foreign policymaking that have had lasting impact (180).

One comes away from the book with a deep appreciation for the important role intellectual framing and ideology played in U.S. officials' approaches to the developing world during this pivotal decade. Franczak introduces the reader to key high-level U.S. policymakers and the role of powerful organizations and think tanks, such as the influential Trilateral Commission and the Overseas Development Council (ODC) in shaping these officials' policies. When it came to referencing State Department views, I wondered who was producing the memoranda, and who beyond the secretary of state was helping to craft U.S. positions and policies on this critical front. Understandably, a work on policy decision-making will focus on high-level officials, and influential thinkers, but giving voice to others within the foreign policy apparatus would have provided interesting perspectives, if possible (which it is not always). Similarly, I was curious in the latter chapters to know more about European views—which undoubtedly played a shaping role—and positioning on the North-South dialogue, as the United States navigated its own positions. The focus on U.S. policymaking makes sense, especially given the United States' outsized role in determining the fate of global negotiations and the access to sources, but Franczak's excellent discussion of North-North dialogues whets the appetite for more of those perspectives.

Franczak begins and concludes the book with a discussion of language and terms, raising fundamental questions of how we talk about and address inequality in the world, and the failure of language to adequately capture global dynamics and positioning. He points out that he uses certain terms—such as "North," "South," "Third World," "developing countries," etc.—interchangeably because his narrative agents did. I have done the same in this review, experiencing the same complexities and limitations of language. Franczak points out that the term "Global South" took off in the 1990s, but it also proves inadequate and problematic. Franczak explains that an "old state-centric South" fell with the failure of global negotiations and in its place rose a "transnational global South" (192) that depended on the triumph and "worldwide embrace" (193) of free markets and neoliberal globalization. Franczak shows that the end of an attempt at North-South dialogues during the 1970s to create a New International Economic Order was the end of a critical conversation about how to address global inequality as a community of states. He raises important questions about the relevance of such a conversation today and the consequences of inequality both within and among nations.

### Review by Umut Özsu, Carleton University

Much has been written over the years about U.S. foreign policy during the tumultuous 1970s, a decade in which American politics was inflected by scandals, recessions, oil crises, the gold standard's demise, and rapidly shifting Cold War dynamics. In recent years, the study of U.S. foreign policy—and of "America in the world"—has been reshaped by growing interest in relations between the industrialized states of the "global North" and the "developing" states of the "global South." Among other things, historians and other scholars have examined Richard Nixon's visit to the People's Republic of China, the role of human rights in Jimmy Carter's administration, and the way Henry Kissinger and other diplomats sought to limit both Soviet influence and "Third World" militancy at a time when U.S. power was contested. New work has enriched our understanding of these developments by examining the New International Economic Order (NIEO) project inaugurated in 1974 by the UN General Assembly, the "North-South dialogue" coordinated partly through the Paris-based Conference on International Economic Cooperation, and similar initiatives to enhance economic and political equality on the international plane.

In his new book, Michael Franczak cuts through this terrain by foregrounding tensions in the strategies that U.S. politicians and diplomats pursued to counter the challenge from the "South" during the 1970s. These strategies were animated by a desire to maintain U.S. supremacy in the world economy after the end of the Bretton Woods monetary order, a conjuncture in which proposals for deregulation and privatization gained popularity on both sides of the Atlantic in response to the crisis of the Keynesian state. The product of prodigious research, Franczak's clear-eyed book explores the response of successive U.S. administrations to calls for global economic justice before the crisis-ridden 1970s were swept aside by the neoliberal (and also crisis-ridden) 1980s. Animating much of Franczak's account is a concern with the intertwined politics of oil and food, including the United States' 1972 grain deal with the Soviet Union in the wake of Nixon's move to float the dollar, which reduced oil revenues and contributed to Arab oil-producing countries' decision to impose embargoes on the United States and a number of other Western states during and after the 1973 Arab-Israeli War. The book delves deeply into Kissinger's proposal for a global reserve of grain at the 1974 World Food Conference, partly as a means of undermining the Organization of the Petroleum Exporting Countries. It tracks Kissinger's engagement with NIEO initiatives in fora like the UN Conference on Trade and Development (UNCTAD) in light of

pressure from human rights Cold Warriors and neoconservative critics of UN multilateralism like Daniel Patrick Moynihan. It examines Carter's reliance on the Trilateral Commission and Overseas Development Council in discussions about aid, debt, human rights, "basic needs," and technology transfer, in and beyond Latin America. And it explains how Ronald Reagan's full-throated defence of neoliberalism helped to usher in an era of widespread structural adjustment at the World Bank under A. W. Clausen and others. All this makes for an insightful and wide-ranging study in the history of U.S. foreign policy—a history that situates disagreements in Washington in a range of broader disagreements between the United States, other leading capitalist powers, and countries associated with the Group of 77 (G77), Non-Aligned Movement (NAM), and other Third World groups and organizations.

Of course, no book is ever entirely complete. In my own case, I was sometimes left wondering how Franczak's core argument might be extended to developments in the sphere of international law. The NIEO and "North-South dialogue" were mediated by and refracted through trade and investment law, the law of the sea, international human rights law, the emergent international environmental law, and a variety of other bodies of law, not least what was often dubbed the "international law of development"—the use (and transformation) of international legal rules and institutions to foster sustained economic development, generally in the form of export-driven industrialization. The push to forge a new "international law of decolonization" after 1945, particularly during the pivotal 1960s and 1970s (sometimes bundled together today under the general label of "the long 1970s"), was integral to the NIEO, "North-South dialogue," and similar endeavours. Franczak's book considers the political and diplomatic context in which debates about development, human rights, and "basic needs" played out. It does not, however, analyze the legal ideas, claims, and disputes in which these and other debates were enveloped. Nor does it situate NIEO events, UNCTAD conferences, and other developments against the background of efforts to cultivate a new international law that would help to breathe economic life into political independence.

More pedantically, some of the conclusions Franczak derives from his meticulous work seem to me to be somewhat overdrawn. For instance, early in the book, Franczak claims that North-South discussions were marked by "virtually zero Soviet involvement or interest" (3). This assertion is not entirely unfounded. It is true that the North-South debates of the 1970s turned mainly on changing relations between advanced capitalist countries and the "developing" states of Asia, Africa,

and elsewhere. In particular, the Soviet Union and other socialist states typically resisted requests that they provide restitution for colonial exploitation, arguing that they had not participated in imperialist scrambles and therefore had no legal or moral duty to offer such compensation. However, the Soviets and other "Second World" states were anything but indifferent to the North-South confrontation. Delegations from Moscow and elsewhere lent substantive support to the NIEO, nearly always voting alongside states belonging to the G77 and NAM in favour of resolutions calling for debt relief, technology transfer, measures to stabilize commodity prices, and systemic reform of international financial institutions. Indeed, from a diplo-legal (rather than simply diplomatic) perspective, one of the hallmarks of the large mega-conferences of the 1960s and 1970s, both within and beyond the UN system, is the regularity with which socialist states coordinated their bargaining strategies with Third World states and voted en bloc to support Third World proposals.

Similarly, I have doubts about Franczak's claim that "[b]etween 1974 and 1982 the North-South dialogue transformed US foreign policy, but US foreign policy did not transform the North-South dialogue" (187, original emphasis). U.S. power, both "public" and "private," shaped North-South negotiations to a very considerable degree, directly as well as indirectly. For instance, the third UN Conference on the Law of the Sea, which commenced in 1973, dragged on for years due to opposition from the United States and some other industrialized states to prospective treaty provisions on the extraction of mineral resources from the deep seabed beyond the reach of any given state's jurisdiction. The United States effectively withdrew from the negotiations shortly after Reagan's first inauguration in January 1981, returned with a set of proposals and ultimatums the following spring, voted against the treaty when the conference adopted it, declined to sign it once it was opened for signature in December 1982, and spent the next dozen odd years haggling over the better deal it eventually secured in 1994. The new law of the sea, one of the key sites of North-South tension during the 1970s and 1980s, could not have taken the shape that it finally did without intense and sustained involvement on the part of U.S. officials. More generally, the NIEO was launched largely because Third World elites were keen to counter the dominance of the United States and other advanced capitalist countries in the world economy. Ultimately, U.S. power proved so farreaching that it succeeded not simply in "transforming" the NIEO, but in bringing it to a sudden and calamitous end in the early 1980s. The United States may not have been the most "dialogical" partner with which to negotiate, but the "North-South dialogue" was shaped indelibly by U.S. interests.

These are minor points. Global Inequality and American Foreign Policy in the 1970s is an excellent book based on extensive research and written in a limpid, engaging style. It is an important addition to the growing body of literature on the North-South debates of the 1970s—a decade so "long" that its consequences have yet to unfold in full. It should be read by all scholars and students with an interest in U.S. foreign policy, North-South relations, and the history of decolonization.

# Author's Response by Michael Franczak, International Peace Institute and University of Pennsylvania

I would first like to thank Benjamin Guterman for organizing this roundtable of distinguished historians to review Global Inequality and Federal History for granting the space and support.

I owe a debt to each of my reviewers for their critical engagement with and enriching feedback for my book. This is my third roundtable for Global Inequality, so I'm no stranger to criticisms. There are some here that I'll discuss, but the best thing about these roundtables is what you learn that your book does that you didn't know it did. Each scholar in this roundtable revealed something I didn't know about my book—both what it isn't and what it is—and for that, I am very grateful.

Umut Özsu praised the book and raised some "minor points," but I give them more credit. Özsu is correct that the book misses the important dimension of the Law of the Sea conference, a contemporaneous process that he has brought to life in his own work. This is important, not only for the reasons Özsu gives but also because it is part of a larger story that my book—and, I believe, others on North-South relations in the 1970s and after—have ignored. That story is global environmental governance, starting with the creation of the UN Environmental Programme (UNEP) in 1972. I have explained in a previous roundtable how North-South relations have defined this issue, from the fractious but successful establishment of UNEP to our modern climate change regime, the UN Framework Convention on Climate Change (UNFCCC), in 1992. Alas, this was a story that I could only see after a career change brought me into that process (more on that soon).

<sup>&</sup>lt;sup>1</sup> https://shafr.org/system/files/passport-04-2023-franczak.pdf

Regarding Özsu's comments about my "overdrawn" conclusion on the Soviet Union's involvement in the NIEO, I concede that this was imperfect language. Indeed, the Soviet Union had interests at stake, including and beyond frustrating the Americans, and as Özsu says, often voted with the Group of 77. Early on the project, I made two (what I thought were provocative) claims about the communist world, re: the non-involvement of the Eastern Bloc and China. Thankfully, scholar Elizabeth Ingleson disabused me of the incorrect notion about China well before publication,<sup>2</sup> but I plead guilty to the mischaracterization of the Eastern Bloc's attitude and involvement. A fit update for a second edition!

In her review, Laura Kolar writes that Global Inequality "demonstrates how the food and energy crises of the 1970s were fundamentally linked." It was gratifying to read Kolar's praise here because I thought that section (including the importance of domestic food policy and politics) was one of the book's most novel contributions. The most important insight for me from Kolar's review was her assertion that the book left her with a "deep appreciation" for the role of ideology and intellectual framing in U.S. policy toward the New International Economic Order (NIEO). I had not set out to do this in the book, but I fully agree with Kolar's framing (and wish I had put it as clearly as she does in her review).

I am also glad that Kolar engaged with my discussion in the epilogue on the etymology of "global South." To be honest, I expected more reviewers (a baker's dozen now?) to engage—and disagree—with my arguments there. However, my own practical experience since the book's publication has reinforced my decision to focus on the G77 as a diplomatic actor, despite the range of political ideologies and levels of economic development among its members. For the last year, I've worked in UN climate negotiations as a policy researcher and technical advisor to small-island developing countries on the urgent issue of finance for "loss and damage" resulting from the adverse impacts from climate change. Today's G77 is much more economically diverse than it was in the 1970s but is also still capable of remarkable unity, as was demonstrated at COP27 (November 2022) in Sharm el-Sheikh when developing countries forced developed countries to establish a new fund for loss and damage—a 30-year goal. Country groups (least developed countries, small island states, etc.) coordinate to ensure their interests are reflected, but then as now, the

<sup>&</sup>lt;sup>2</sup> For China's attempts to influence the NIEO, see p. 7 of Global Inequality and Elizabeth Ingleson, Made in China: When US-China Interests Converged to Transform Global Trade (forthcoming Harvard University Press, 2024).

G77's strength in global climate negotiations comes through its unity around a common set of policies or outcomes, with which developed countries (who also negotiate as a bloc) must contend.

Relatedly, I'm pleased that Sean Byrnes in his review identified the contribution I sought to make within the NIEO historiography, which is to tell the U.S. side of the NIEO and North-South dialogue. (Ryan Irwin also praises this in his review.) Byrnes also notes that Global Inequality would have benefitted from contextualizing the NIEO more within U.S.-South relations. While I gesture at this in chapters involving apartheid, the Panama Canal, Israel, and human rights, a more thorough framing would perhaps have broadened the book's impact and reach. I think there is always a struggle in big projects when you are aware of other big, related issues, but you are so focused (or overwhelmed) with capturing all the details of your new story, and so you hold some of those issues at arm's length. I know I did this with Law of the Sea, and I wish I hadn't, for its own sake, and because it could have led me to the story on global environmental governance in general that I (and so many other scholars) have crucially ignored. Then again—it took a career change for me to fully appreciate what I missed.

Ryan Irwin found a lot to like in the book, too, but he also makes some important criticisms. First, he argues that the book's "third act"—on Reagan—is underdeveloped. I agree. Another big part of my story that ended up on the cutting room floor involves the World Bank's role in the late 1970s trying to save the North-South dialogue, and then in the early 1980s taking the very different approach I describe in the book. The Bank's economic diplomacy in this period is fascinating, and ripe for research. But the Reagan side—yes, I could have written more, but it would have involved extending the book another two chapters—and well beyond 1982, the beginning of the Latin American debt crisis and abrupt collapse of the NIEO. But I found loads of material at the World Bank archives, and I know there is much more at the Reagan Library. (I also could have made greater use of the Margaret Thatcher papers, most of which are online.) Alas, I did not have the time or space to carry out that mission here—maybe in that second edition.

Global Inequality promised to answer two "basic" but neglected questions about the NIEO: 1) How did U.S. foreign policymakers respond to it? and 2) What was its legacy for U.S. foreign policy?<sup>3</sup> To put it another way, Global Inequality

<sup>&</sup>lt;sup>3</sup> Global Inequality, 3.

is a study of how Washington's "official mind" perceived, engaged with, and ultimately defeated the NIEO. The four reviewers here have convinced me that the book's focus on economic negotiations, while necessary, came at a narrative cost in terms of U.S.-Third World relations and American politics at large. In trying to make one very big but specific historiographical intervention, I ended up missing opportunities to make several. A little more framing and historiographical engagement would, perhaps, have gone a long way. I suspect these things, like so much in life, can only be discovered after the fact, and from others with the patience and intelligence to show you.

<sup>©</sup> Society for History in the Federal Government. Readers can download Federal History articles and share them but must credit the journal and author. They cannot change the articles in any way or use them commercially. This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License (CC BY-NC-ND).