inclined to doubt that a society can easily integrate a former slave population into its social system, even over many generations. It is well to ponder this in the American context. If one takes the conventional date for the onset of chattel slavery in North America as roughly the time of the establishment of the Jamestown Colony in 1607, and its legal termination as the time of ratification of the Thirteenth Amendment in 1865, we have been a slave society twice as long as we have been a free society (258 years versus 118 years). Balance the two-and-a-half centuries of the corrosive social and psychological effects of slavery against the barely hunted years and America. The realization is brought home with daunting force by Patterson's description of "the fire-bell in the night." For the indelible causes and content are questionable. The volume contains much useful data on worldwide military spending, on nuclear weapons and their effects, and on arms sales. There are attractive graphics and some telling and pointed observations about the global ap petite for military spending. But it lapses into rhetorical excess and contains too many questionable assertions unsupported even by its own data.

Sivard's basic theme is that the world's military gobbles up the lion's share of resources (about $600 billion a year), leaving little for meeting social needs. Military domination, she argues, is the cause of virtually all the world's evils: repression, economic stagnation, inflation, arms races, and wars. But her own evidence does not support so sweeping an indictment, and Ms. Sivard confuses symptoms with causes. Mutual fear and suspicion fed by powerful bureaucracies are cited as causes; but real conflicts of interest and rivalries abound, and to these little attention is given. The Soviet military build-up is reduced for the most part to an arcane discussion of the methodology of estimating Soviet military spending.

Sivard, who served with the U.S. Arms Control and Disarmament Agency in its early days, is at her best when dealing with the nuclear arms race and the effects of nuclear weapons. Her discussion of the trend toward building nuclear war-fighting capabilities in the Soviet Union and the United States is solid, although a bit brief. Sometimes Sivard's biases lead her astray, as in her discussion of nuclear proliferation. She acknowledges that there has been restraint but feels compelled to sound a warn-...
In trying to show the impact of weapons research, Sivard argues that advances in military technology are unmatched in the civilian field. She is wrong. One has only to watch the almost endless commercials for home computers "tools for modern times," to paraphrase one of the more creative ads, to appreciate the depth and breadth of the revolution in communications and electronics wrought by the microchip. These developments have not come from the military but from civilian firms and will have enormous consequences for the U.S. and the global economy. In fact, the military has been among the last to exploit many new technologies. In part this is due to the long gestation period for new weapons—ten years of development is not unusual—and in part to the conservatism of military bureaucracies. Defense firms are good at producing new, incrementally better versions of old weapons but not at producing the really innovative.

The repressive tendencies of military regimes are the subject of another section of this volume, but Sivard’s case is weakened by quirks in her data. For example, her chart on repressive Third World regimes classifies South Korea as highly repressive but North Korea as only repressive. Similarly, the Philippines, Taiwan, Thailand, and India are all classed as highly repressive, but Laos, Vietnam, and China are only repressive. These are absurd distinctions that call into question the value of the entire exercise.

Moreover, by focusing on the Third World, Sivard leaves out the most significant examples of civilian-dominated repressive regimes, the Soviet Union and Eastern Europe. In her chart, Latin America is clearly the most repressive continent, with eighteen of twenty-four regimes rated as repressive or highly repressive. But if one turns to the statistical tables, one finds that Latin American countries spend an average of only 1.4 per cent of their GNP’s on defense. This may increase as a result of the Falklands war but will still be low by world standards. Military spending clearly is not the only culprit.

Sivard’s solution to the ills of world militarism is, of course, disarmament and a new international security system that contains mechanisms for deterring aggression, for resolving disputes, and dealing with breaches of the peace. She is quite right in suggesting that the search for alternatives to the present international system is not new, but I’m afraid we are no closer to developing such an alternative system than we ever have been. Wishing will not make it so, and national military strength will likely remain for the foreseeable future the basis for national security. The present system leaves much to be desired, but it’s all we’ve got.

Of course negotiated arms control agreements are vital components of the present security system, and Sivard is quite right in noting the importance of aroused public opinion in advancing the process. On the other hand, I find it hard to understand how the public will help simplify arms control. Proposals for deep cuts, like those offered by George Kennan and retired Admiral Noel Gayler and favored by Sivard, are useful in defining where we want to go, but they are extremely difficult to negotiate. Similarly, freeze proposals approved by voters are welcome expressions of a broad mandate for arms control but are no substitute for the step-by-step negotiations that she calls “ponderous and unwieldy.”

Ms. Sivard would do well to return to the format of earlier years, when she stayed closer to her data and avoided rhetorical flourish. The high ground is the political center. The task for 1983 and especially for 1984 is to seize that position by defining a responsible centrist approach to defense, arms control, and economic strength that strikes the proper balance among these essential elements of national security.

U.S. INTERNATIONAL MONETARY POLICY: MARKETS, POWER, AND IDEAS AS SOURCES OF CHANGE by John S. Odell
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Stephen Roussas

As World War II neared an end the United States and Britain, fearing a resurgence of the economic chaos that had preceded the war and contributed directly to it, engaged in their own battle over how to reorganize the international monetary system.

Under the old gold standard, internal equilibrium had been subordinate to the "rules of the game" governing the external balance of payments. With fixed exchange rates pegged to gold, any balance of payments deficit—so this scenario went—would be adjusted by an outflow of gold, leading to a contraction of domestic credit and a decrease in output. In a system of competitive goods and factor markets, prices would soon fall, but this would have no effect on income or the level of voluntary employment. The resulting rise of exports and fall of imports would lead to a correction of the balance of payments deficit.

The countries that received the gold outflow would experience exactly opposite effects. Yet no one country could corner the world’s supply of monetary gold, since the more gold it got, the less likely were its chances of holding on to it. Gold was like quicksilver: It could not be grasped firmly but ouzed between the fingers, flowing from one country to another.

This price-specie-flow mechanism, as it was called, was an idealized system containing textbook economics and textbook politics. For one thing, it did not always follow the "rules of the game." And markets were not as competitive as textbooks made them out to be; deficit countries found their real output declining and unemployment rising under a regime of sticky prices. With the onset of the Great Depression in the 1930s, the gold standard was abandoned by one country after another. Exchange controls were imposed, currencies were devalued, tariffs were raised, and import quotas were imposed as each country tried to export its unemployment to the rest of the world. Economic warfare became the rule, with each country following "beggar-thy-neighbor" commercial policies. World trade imploded and a full-scale world war exploded.

At the United Nations Monetary and Financial Conference at Bretton Woods in 1944 the two main protagonists were Harry Dexter White of the U.S. Treasury (who was later pilloried by the House Un-American Activities Committee) and John Maynard Keynes, representing the United Kingdom. Keynes’s plan was to abolish gold in favor of an international unit of account and establish a world central bank that would allow for the orderly growth of international liquidity and also control the flow of funds to underdeveloped countries.

But the United States, besides being the emergent power of the postwar world, was sitting on a major part of the world’s supply of monetary gold. White effectively sabotaged the Keynes plan and worked out a compromise arrangement: a much weakened International Monetary Fund (under U.S. control) with a separate International Bank for Reconstruction and Development