

Holm Arno LEONHARDT, *Kartelltheorie und internationale Beziehungen. Theoriegeschichtliche Studien, Historische Europa-Studien / Historic Europe Studies*, vol. 16, Olms Verlag, Hildesheim, Zurich, New York, 2013, 861 p. – ISBN 978-3-487-14840-3 – 98,00 €.

Leonhardt's study seeks to restore the concept of cartel to its originally broad range of meanings and to install cartel theory as a means to regulate competition among rivalling partners not just in the economic domain but also in politics and society at large. Specifically, Leonhardt argues that the concept of state cartels should be recognized as a useful tool in the process of constructing what he claims to be an unbiased international relations theory that is supposed to be free from hegemonic political interests and, within one analytical framework, allows explanations of both conflict and cooperation (pp.656 and 733).

Leonhardt proceeds in seven steps. After introductory surveys of the topic and of the conceptual history of the cartel, which still in the eighteenth century could comprise an agreement among warring parties to exchange prisoners of war, but also a set of rules for the enactment of tournaments (Chapter I, pp.40-48; Chapter II, pp. 49-68), he provides an historical description of what he categorises as 'classical theory' from 1883 to c. 1960 (Chapter III, pp.69-205). Following this exercise in the history of theory, he plunges into empirical matters, examining the transformation of economic organisation, mainly in continental Europe and Japan under US influence during the 1940s and 1950s (Chapter IV, pp.206-407). Next, turning to state cartel, he focuses on Karl Kautsky's early twentieth-century theory of 'ultra imperialism' as a theory of cooperation among rival imperialist governments (Chapter V, pp. 408-477), before moving on to functionalism, which he interprets as a theory of global and regional integration within the framework of cartel theory (Chapter VI, pp. 478-521). He then pleads in favour of combining international relations and regional integration theories in an attempt to explicate Jean Monnet's European regional integration policy of the late 1940s and early 1950s, which Leonhardt considers as applied functionalism (Chapter VII, pp.522-647). The last substantial chapter comprises a survey of select international relations theories, with an emphasis on their deficits and a plea for the use of cartel theory (Chapter VIII, pp.648-733). Chapters V, VI, VII and VIII had been written in an early period of Leonhardt's work on his topic, before Chapters II, III and IV were conceptualised. The study concludes with a summary of the results, a lengthy bibliography and a somewhat parsimonious index, omitting man names of persons referred to in the main text.

Throughout his study, Leonhardt takes issue with mainstream international relations theories, which he associates mainly with 'realist' and 'idealist' approaches, while leaving out revisions that have been proposed since the late 1980s. He also claims that most twentieth-century international relations theories have originated in the UK and the USA. Elaborating on Stanley Hoffmann's and Kalevi Jaako Holsti's observation that the

academic discipline of International Relations is an 'American Social Science', which is 'dividing' rather than bridging continents, Leonhardt calls

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for a new theory that should not be biased by claims for hegemonic control by the state of its origin. Leonhardt's critique of state of the art international relations theories, despite the limitations of the sample that he takes into account, is basically fair, given the fact that most post-Socialist continental European as well as East Asian and African work on international relations has been drawn on existing US-based theories.¹ Indeed, neither has cartel theory been used in the study of international relations, nor have recent constructivist approaches availed themselves of the tools it provides. Instead, so far, cartel theory has, since the turn of the twentieth century, mainly been applied in studies of private corporations, there seeking to determine the regulation of corporate behaviour under the constraints of market competition. Leonhardt assumes that governments of states can be treated as if they were institutions of management of private firms, that, like private firms, governments of states are involved in a somehow regulated competition in some respects while facing the need to cooperate in the pursuit of common interests in other respects.

In order to demonstrate the possibility of using cartel theory in the context of international relations, Leonhardt contends that early twentieth century Socialist theorists applied the theory within their critical analysis of imperialism. To that end, he scrutinises Kautsky's critical theory of 'ultra imperialism'. Like other Socialist theorists, most notably Karl Liebknecht, Kautsky categorised as 'state cartels' the cooperation among rival imperialist governments for expanding their control onto Africa, West, South, Southeastern Asia and the South Pacific. They argued that imperialist governments were agreeing to restrain their aggressive competition in order to pursue the common goal of imperialist expansion, as private firms would do to advance their control of a market segment. In view of the Berlin Africa conference of 1884/85, Kautsky and Liebknecht would not discount the possibility that rival imperialist governments might, at some point in the future, agree on common principles of managing colonial control, and Kautsky coined the phrase 'ultra imperialism' to denote what he elsewhere called the international of imperialists. Kautsky was fearful that such an international of imperialists might become operative before a Socialist international and argued in favour of applying a flexible strategy of Socialist revolution against potential twists in imperialist government policy. Otherwise, he warned, imperialist governments might succeed not merely in tightening their grip on other parts of the world but also in keeping the socialist revolution at bay.²

1. A. KOTERA (ed.), *The Future of the Multilateral Trading System. East Asian Perspectives*, Rieti, London, 2009; X. GU, *Theorien der internationalen Beziehungen*, 2nd ed., Oldenbourg, Munich, 2010 [first published in 2001], who, at p.90, refers to Confucius's description of the 'Great Union' (datong) as an instrument of the balance of

power. E. di NOLFO, *Degli imperi militari agli imperi tecnologici. La politica internazionale del XX secolo*, Laterza, Rome, 2002; E. di NOLFO (ed.) *Power in Europe? Great Britain, France, Germany and Italy and the Origins of the EEC*, Walter de Gruyter, Berlin, 1986-1992; V. RITTBERGER, B. ZANGL, A. KRUCK, *Internationale Organisationen*, fourth edition, Springer, Wiesbaden, 2013, pp.17-22; S. ADEM, *Is Japan's Cultural Experience Relevant for Africa's Development?*, in: *African and Asian Studies*, 2(2005), pp.629-664.

2. K. KAUTSKY, *Der imperialistische Krieg*, in: *Die Neue Zeit*, 1(1917), pp.475-487, here p.483.

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In his analysis, Leonhardt advances knowledge about the debate about 'ultra imperialism' by contextualising Kautsky's arguments. Existing research literature had focused on examining Vladimir Il'ič Lenin's well-known attack on Kautsky's theory in *Imperialism as the Highest Stage of Capitalism*, positioning World War I as an engine advancing the Socialist revolution and castigating Kautsky for trying to appease Socialists with the war-prone machinations of the imperialist governments. By contrast, Leonhardt shows that Lenin was wrong in claiming that Kautsky has developed his theory of 'ultra imperialism' only after the launching of the military campaigns in August 1914 but had started advocating his theory already in 1912, with Liebknecht having already made similar observations in 1907 (pp.414, 427-428 and 443-444).

However, as Leonhardt's analysis ably demonstrates, Socialist theorists used the cartel mostly as a metaphor, an analogue or a simile, following a usage common among theorists at the turn of the twentieth century. Hence, they were hardly original in that respect. Throughout his book, Leonhardt adds a wealth of further evidence for the use of the cartel in figurative speech across the social sciences, specifically during the late nineteenth and early twentieth centuries. The broad range of disciplines he covers from economics across political science to sociology and contemporary social and international history, allows him to present a unique and, so far, most comprehensive survey. The survey puts on record not merely the popularity of the word and the concept of cartel, but also its adaptiveness to changing contexts as well as its vagueness. Cartels could mean many things for many people.

There are, nevertheless, some problems with Leonhardt's analysis and argument. First and foremost, his claim that cartel theory can be the basis for an international relations theory remains just that, as Leonhardt does not move beyond critically demonstrating the inaptitude of current international relations theories and deconstructing them as instruments of maintaining hegemony. Moreover, despite his deconstructivist efforts, Leonhardt retains some assumptions inherent in these theories he intends to challenge, mainly that states are in a position of principally unrestrained rivalry in one single global international system, while ignoring the contrary position, argued by natural law theorists,

that this is not the case. He also postulates that, at least on principle, international relations theories can be constructed free from political interest and bias, as if the conduct of international relations could be separated from some allegedly purely academic process of the making of international relations theories. Yet, empirical evidence, also from the twentieth century, suggests that the objectifiability of international relations into a complex of theories about them is unlikely at best. If international relations take place in the world and if we are in the world ourselves, objectification seems difficult, not just from the principled point of view of Heideggerian ontology, but also from the practical point of view of politics. The latter is the case, as any theorist nowadays has to reside on the territory and be a citizen in a state, thereby internalising at least some of the biases flowing from citizenship. In consequence, the prospects of unbiased theory making seem slim. Moreover, governments of states, none the least those claiming to be hegemons, have a plethora of possibilities at their disposal to influence not only theorists working close

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to government but also those operating in academic environments. The fate of nationbuilding and modernisation theories concocted as a seemingly academic bodies of thought around 1960 and propagated as a means to steer 'development', but subsequently understood as an ideology of the Kennedy era,³ should serve as a warning against untested assumptions about the making of international relations theories.

Leonhardt is, needless to say, correct in arguing that bias emerging from hegemonic states may not be conducive to appropriate theory making. At minimum, this is so because governments of hegemonic states will pursue interests and face problems not relevant for governments of other kinds of states (pp.658-659) and may even suppress the generation of theories they do not like (pp.663-668). Thus, for one, the ubiquitous yet arcane debate over the alleged necessity of making the choice between multilateralism and unilateralism, obviously, requires the perception of the capability of a government to make this choice. Hence, the debate does not carry any significance for states other than seeming hegemons. Leonhardt, for his own part, seems to want to avoid this dilemma by suggesting the making of international relations theories in small states, mentioning Singapore as a candidate (p.659). Yet, apart from the fact that no distinctly Singaporean international relations theory is on record, would a small-state bias necessarily carry less weight than hegemonic state bias? At least, Walter Mattli's attempt to construct a regional integration theory from an explicitly Swiss perspective augurs in favour of a negative response. For Mattli struggles with the problem of how the government of a state can respond to a regional integration process that takes place all around its borders without directly involving institutions of that state in political decision-making.⁴ This is a problem that only few governments have. Nevertheless, Leonhardt seems to expect that international relations theories can be constructed without bias if only willingness to do so is there (p.656). But this expectation seems vain, given the fact that the making of

international relations theories is an innately political process in its own right. Hence, any attempt to disentangle international relations theories from the political contexts within which they were generated, seems utterly vain. Moreover, even if this could be done, it would be bad service to social sciences, bent on avoiding the pitfalls posed by the dialectics of the enlightenment. If, as Jürgen Habermas insisted, practice is the sole research guiding interest that the social sciences may legitimately subscribe to, and if practice can only mean betterment of society, social scientists must be partisans. For what constitutes betterment of society cannot be dictated but must be negotiated among holders of subjective perceptions. In short, Leonhardt fails to demonstrate that cartel theory is superior to any past or current international relations theory in reducing bias.

Leonhardt would have had a point, had he been able to argue that cartel has already successfully been tried out for international relations. So he actually does when discussing ‘ultra imperialism’. He believes that Kautsky and Liebknecht consciously applied cartel theory to international relations, expecting that capitalists might restrain

3. M.E. LATHAM, *Modernization as Ideology. American Social Science and “Nation-Building” in the Kennedy Era*, The University of North Carolina Press, Chapel Hill, 2000.

4. W. MATTLI, *The Logic of Regional Integration*, Cambridge University Press, Cambridge, 1999.

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their competition in efforts to rescue capitalism and that imperialist governments would follow. Indeed, Kautsky, in a few remarks, referred to some “cartel relations among states”, which might in the end suppress their rivalries.⁵ However, in most statements, in which Socialist theorists used the words cartel or trust in the context of international relations, they did not explicitly identify relations between states as a category of cartel relations but associated the latter as an analogue, metaphor or simile with the former.⁶ And Kautsky removed the explicit identification of the foreign policy of imperialist governments with the cartel policy of corporate actors from the draft version of his article on ‘ultra imperialism’ before it went into print in August or early September 1914.⁷ Moreover, Lenin, in his scathing criticism of Kautsky’s concept of ‘ultra imperialism’, rejected the idea that governments of imperialist states might compromise on essentials and did so at the time of World War I in view of continuing and intensely fought out rivalries.⁸ Socialist theorists themselves recognized the obvious obstacle against the identification of relations between states as a type of cartel relations: Whereas business cartels would operate under state law and often under government control, state cartels did not. Thus Liebknecht already denounced the Hague Conventions of 1899 and 1907 as the “Hague Comedy”, which, he thought, was laughable because the Czar had provided the ‘main authorship’.⁹ In the early twenty-first century, there is no need for argument any longer whether Kautsky’s or Lenin’s war-time diagnosis about the fate of capitalism was more appropriate, as both of them failed, Kautsky because of the war, and Lenin

because of the dissolution of the Soviet Union. Nevertheless, neither of them can boost Leonhardt's claim that cartel theory can help making sense of international relations better than any other theory.

A further stumbling stone obstructs that path, as Leonhardt is not only unwilling to treat analogues, metaphors and similes as elements of figurative speech, but is also unwilling to distinguish methodologically between word and concept. Thus, whenever he encounters the word cartel, he expects to meet the concept of cartel as well. This is most notable in his sketch of the history of the word cartel (pp.50-54), where he identifies recorded changes in the meaning of the word with postulated transformations of the concept. If, by contrast, Leonhardt would have proceeded semasiologically by asking which words might have represented which aspects of the concept of cartel other than the word cartel, he would have encountered quite a number of

5. K. KAUTSKY, *Der erste Mai und der Kampf gegen den Militarismus*, in: *Die neue Zeit*, 2(1912), pp.97-109, here pp.107-108.

6. K. LIEBKNECHT, *Militarismus und Antimilitarismus* [1907], in: K. LIEBKNECHT, *Gesammelte Reden und Schriften*, vol.1, Dietz Verlag, Berlin, 1958, pp.247-456, here pp.269-270.

7. K. KAUTSKY, *Der Imperialismus*, in: *Die neue Zeit*, 2(1914), pp.908-922, here 921; based on Kautsky, *Der internationale Kongreß und der Imperialismus*. Ms. Amsterdam: Internationaal Instituut voor Sociale Geschiedenis, Kautsky Papers A 56, p.8. See also: K. KAUTSKY, *Zwei Schriften zum Umlernen*, in: *Die Neue Zeit*, 2(1915), pp.33-42, 71-81, 107-116, 138-146, here pp.144-145; K. KAUTSKY, *Der imperialistische Krieg*, op.cit., p.483.

8. V.I. LENIN, *Vorwort* [to Nicolai Bucharin, *Weltwirtschaft und Imperialismus*; Dec. 1915], in: V.I. LENIN, *Werke*, vol.22, Dietz Verlag, Berlin, 1972, pp.101-106, here p.106.

9. K. LIEBKNECHT, *Militarismus*, op.cit., p. 270.

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international relations theories built on the assumption that rivalries can and will eventually become subjected to patterns of self-regulation, from Justus Lipsius and Johannes Althusius at the turn of the seventeenth century to Ernst von Beling, Hans Kelsen and Alfred Verdross in the early twentieth century.

There are, in addition, a number of minor defects in this heavy book that should not remain concealed. Leonhardt neither provides a systematic description of what he takes to be 'cartel theory', but obliges readers to piece together bits of that theory that are scattered throughout the work. Nor does he offer a definition of cartels appropriate for his purposes. His description of cartel theory within economics is, with these limitations, comprehensive, whereas his observations regarding other disciplines are sketchy. Thus,

Leonhardt treats functionalism, as if David Mitrany had invented it in 1943 (pp.478-479), although the 'functional' approach to international relations *avant la lettre* is much older.¹⁰ Moreover, most of Leonhardt's analysis, even in his empirical chapters, remains free from evidence drawn on unpublished primary sources, which is particularly disturbing in his discussion of Jean Monnet's allegedly 'functionalist' approach. Had Leonhardt considered not only Monnet's Memoirs but also archival records, he would have understood that Monnet's approach to international politics had nothing to do with Mitrany's 'functionalism' and that, by consequence, it makes little sense to delve into questions about Monnet's dependence on Mitrany's work. True, both the political practitioner and the theorist had the restoration and maintenance of peace as their common goal and also had a *faible* for institutions. But not all institutions are cartels. Mitrany in 1943 looked at the prospects of global integration, short of 'International Government', while Monnet aimed at cooperation among neighbours in fields of activity, where competition involved only a few private actors and government control was intense anyway. Contemporary observers noted that the early European institutions looked like cartels, as Leonhardt ably describes. But Monnet himself rejected this view.

Lack of interest in archival sources also seems to have prevented Leonhardt from looking at the abundance of little used records, preserved in the Moscow state archives, on the Socialist International, on the case of which he might actually have been able to demonstrate the usefulness of his cartel theory approach for international relations. Furthermore, some of Leonhardt's critical comments are of little help. Thus his condemnation of the historiography of international relations suffers from high selectivity of reading and indiscriminate judgment (pp.360-407). Referring, in this context, to Hans-Ulrich Wehler's work as 'path-breaking' ('*richtungweisend*', p. 407), albeit not particularly relevant for international relations in 2013, is not an indication of innovativeness of approach. Lastly, Leonhardt's work is not well integrated. The early papers, forming the second part of the study, feature much material that ought to have been presented in the first part, such as the description of Monnet's

10. For one see: A.E. ZIMMERN, *International Organization. Its Prospects and Limitations*, in: A.E. ZIMMERN, *The Prospects of Democracy and Other Essays*, Chatto & Windus, London, 1929, pp. 211-232 [first published in: *Atlantic Monthly* (September 1923)].

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role to the end of World War II, and there are frequent repetitions (for example, at pp.656-658, 671-674 and 696-698).

Despite these shortcomings, Leonhardt's study is a welcome and persuasive plea for revisionism in theorizing about international relations. His arguments about ruminative attitudes towards theories originating from the interests of self-proclaimed superpowers are sound; his demand for the fusion of international relations and regional integration

theories is provocative; his revisiting of Socialist international relations theories is refreshing. Under the label of cartel theory, Leonhardt subsumes a set of approaches to social phenomena that have for some time attracted theorists, whose work he did not include into his already extensive scope, namely philosophers and jurists working within the traditions of natural law theory. These traditions have abounded with attempts to conceptualise the regulation of conflict without resort to institutions. Throughout the nineteenth and twentieth centuries, adherents to natural law theories have had a difficult stance, and that situation has hardly improved in the twenty-first century so far. Leonhardt's plea for the revision of international relations theory is a call to bring natural law theory back in.

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