SEEKING A STATE OF ONE'S OWN: AN ANALYTICAL FRAMEWORK FOR ASSESSING ETHNIC AND SECTARIAN CONFLICTS

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What are the causes of ethnic and sectarian conflict? In this paper, I offer an analytical framework that rests on two central propositions. First, what has come to be called ethnic and sectarian conflict is, no more and no less, about the struggle for state power. As such, the methods utilized by participants in ethnic and sectarian movements do not differ a great deal from those of others, in different places and times, who have also been engaged in similar struggles. Second, the causes of these conflicts are not to be ascribed solely to the domestic configurations within the countries where they occur; what happens "when ethnicities collide" is also the result of global processes and forces impinging on those domestic configurations. As we shall see, these two propositions grow out of the historical nature and logics of the state and the state system, both of which are undergoing significant transformations initiated during the cold war.

In offering this framework, I depart from much of the mainstream scholarship on the origins of so-called ethnic conflict, which is apt to see it in either purely historical or cognitive terms. History, of course, plays a central role in this framework, as does cognition, but so do forms of "rational choice." History provides part of the structure within which active agents make choices about these tactics and strategies that will enable them to accumulate power, status, and wealth; ethnicity and religion then become two of the cognitive frameworks for mobilizing people behind specific projects that promise gains in power, status, and wealth.

The chapter consists of two sections. In the first, I discuss the general conditions that have led to what many consider as the

greatly increased visibility of "ethnic" conflict since 1990.[1] I also suggest that religious or "sectarian" conflict, while often relegated to the same category, is not quite the same phenomenon. In the second section, I provide a brief overview of the most widely accepted explanations for ethnic and sectarian conflict and suggest that they are, each taken individually, incomplete. I offer a more nuanced framework for explaining the emergence of ethnic conflict, with particular reference to the relationship between agents and structures. I refer to some of the arguments made in subsequent chapters by other contributors to this volume as a means of illuminating this framework.

THE ECONOMIC ORIGINS OF NATIONAL FRAGMENTATION

The reasons for recourse to ethnicity and religion as the sparks of so many intrastate conflicts grow out of one peculiar consequence of the end of the cold war and the processes of globalization and liberalization that the United States, intentionally or not, engendered in its prosecution.[2] These have, somewhat paradoxically, led to a situation in which states and national economies are prone to fragmentation, rather than the more generally expected integration.

The dual processes of the globalization of "embedded liberalism" *and* global liberalization had their beginnings in the Bretton Woods system.[3] The founders of that system sought, within limits, to extend certain features of the U.S. domestic economy throughout the world as a way of ensuring that the conditions of the interwar period would not reemerge and trigger yet another world war.[4] The system worked, and from the perspective of American capital it worked as it was designed to do, which was to make the global economy look the same anywhere in the world as it did from any vantage point within the fifty American states.[5]

To clarify this point, we need to go back to World War II, when John Maynard Keynes, Harry Dexter White, and others were laying plans for the postwar economic system that would, this time, ensure the peace. The Bretton Woods system was to be based on an expansive form of liberalism: the gradual lowering of tariff barriers to trade, on the convertibility of major currencies, on the free flow of

capital (but not labor), an international division of labor based on comparative advantage. Free trade would mean that, as Cordell Hull once put it, goods, and not soldiers, would cross borders. From the perspective of the United States and the United Kingdom, this system would also result in what Gallagher and Robinson called "the imperialism of free trade."[6] Moreover, those countries that controlled currency, capital, and technology would be in a more or less permanently advantaged position vis-à-vis others.

Although Keynes and White did not think in terms of core and periphery, such a logic was already in place.[7] The winners would produce the manufactured goods and retain a permanent technological edge; some countries would occupy an intermediate position in the division of labor; and yet others would be the "hewers of wood and carriers of water," supplying raw materials to the factories of the core and buying the goods manufactured there. Such an arrangement would also maximize economic efficiency and profits, generating low-cost goods for consumption in the core countries and increasing purchasing power without the need for redistribution. There was, of course, a flaw in this logic that seems not to have been noticed at the time and which has only become really obvious over the past twenty years—although it was flagged by Alexander Gerschenkron in the early 1960s and others before him.[8] Given the nature of scientific and technical knowledge, any single technological advantage is very evanescent.[9] This is especially true when foreign direct investment is encouraged and when capital and technology are allowed to flow more or less freely across borders.[10]

Early on during the cold war, it was believed that the nonindustrialized world, and some of the industrialized countries, as well, harbored large masses of poor, dissatisfied rural residents and peasants who might prove fertile ground for communism. As Eisenhower put it in his memoirs in 1948,

> Wherever popular discontent is found or group oppression or mass poverty or the hunger of children, there Communism may stage an offensive that arms cannot counter. Discontent can be fanned into revolution, and revolution into social chaos.[11]

The key to dealing with this potential threat was economic development; the theories of Rostow, Huntington, and others were rooted in a concern about the potential attractiveness of radical revolutions

in strategically critical countries.[12] Ultimately, it was exactly this concern that led to the reconstruction not only of Western Europe, but also Germany and Japan, Korea, Taiwan, and others. While efforts were made throughout the cold war to restrict the flow of "strategic" goods and commodities to the Soviet bloc through COCOM, these rules were much less rigorously applied to American allies, who were able to develop their technological base at a very rapid rate.[13] As these places got back on their feet, they also became more technologically advanced, in terms of not only foreign investment, but also human capital, so to speak.

At first, our allies produced goods that were too crude or cheap to be worthwhile manufacturing in the core any longer—there was once a time when the label "Made in Japan" was an indication of low product quality (as "Made in China" sometimes is today)—but they soon progressed to more advanced goods. Because certain factors of production were cheaper in follower and developing countries, it became economically rational for U.S. corporations to ship production offshore. Foreign goods could be made more cheaply and, because mass consumption was predicated on low-cost manufactures, this was beneficial to all concerned. Eventually, however, something odd began to occur. Production—and research and development, too—no longer depended very much on location at all. Some things were still cheaper to produce or put together in the Third World; others that had moved offshore were now moving back to the core. Within the core countries themselves, there were regions of periphery; indeed, within regions of advanced manufacturing, there was great demand for various types of unskilled labor. In other words, borders came to mean less and less for economies, and the particular combination of factors of production in a place came to mean more and more.[14]

The collapse of the Bretton Woods system—or, rather, its inevitable transformation—and the twenty-odd years of economic restructuring that followed simply signaled the limits, as well as the successes, of this approach. Indeed the weaknesses of the Bretton Woods arrangements became evident almost immediately following their establishment, and the United States found it necessary to pump increasing amounts of liquidity into the international system—through loans to the UK, the Marshall Plan, and eventually via military aid—in order to sustain the circle.[15] Ultimately, there were

more dollars in circulation than could be redeemed for gold by the U.S. Treasury, and in 1971 President Nixon "closed the gold window."[16] But this particular crisis had less to do with dollars than demand: Europe and Japan, which might have been expected to be steady customers of American advanced goods, found it more rational and rewarding to produce their own, similar manufactures than to continue importing American ones. This meant that their need for dollars fell, and their surpluses grew accordingly. At the then current rate of exchange, moreover, U.S. goods were costly by comparison with European and Japanese ones; to make U.S. producers more competitive, it was necessary to devalue the dollar, which Nixon did twice. Even these devaluations did not help in the long run, inasmuch as domestic inflation, which peaked at around 15 percent per year during the Carter administration, had the effect of driving wages up at comparable rates. The result was that by the beginning of the 1980s, domestic wages and inflation were high, American manufactures were under stiff pressure from foreign products, and the U.S. balance-of-payments deficit was of increasing concern to both policymakers and Wall Street.

The Reagan administration's tactical approach to this dilemma was threefold, even if it was not entirely intentional. First, the administration revived cold war hostility between the United States and the Soviet Union. While the reasons for this were many, the effect was to reestablish a "hard" basis for making public policy. This, as David Stockman pointed out, had the effect of forcing choices between defense and social welfare, with the goal of reducing expenditures on the latter.[17] The second was to foster a policy of high domestic interest rates and tight money in order to "squeeze" inflation out of the economy. This policy was successful, but it also resulted in one of the most severe recessions since the Great Depression, followed by a disproportionately large rise in the value of the dollar, as foreign capital flowed into the country. This undermined a good chunk of the domestic industrial base which, although not very efficient, nonetheless employed a large pool of blue-collar workers. It also drove a number of developing countries into near bankruptcy. The third tactic was deregulation, which, it was argued, would eliminate excessively burdensome rules that were imposing unreasonably high costs on businesses, squeezing their profits and lessening their efficiency and competitiveness.

The economic system that we now see encompassing the world is, in a sense, the ultimate triumph of the post-World War II planners: everyone rushing toward economic and political liberalism, everyone striving for maximum return on investment and efficiency, and no one involved in production very concerned about national borders or the "social contract" within them. Effectively, the gradual removal of national barriers to the flow of capital—the ultimate extension of the Bretton Woods project—exposed everyone, including the United States, to the logic of capital mobility that followed and the effective undermining of the nation-state.[18] This is, to be sure, a rather simplistic accounting of the relationship between Bretton Woods, the cold war, and globalization, and many will find it easy to criticize. But in a more mercantilistic or economically nationalistic world, in which protectionism was a virtue rather than a sin, such a system would not have developed.[19] In that world, capital would have remained under national control, and industrial policy would not have been restricted to military technology but would have incorporated civilian technology too. Government would be more concerned about the security and stability of the various parts of the nation than its absolute wealth. It might have been a much poorer world, but it would also be one in which national cohesion and culture would be easier to maintain. Instead, we are faced with a world of dialectically linked integration *and* fragmentation.[20]

Why are integration and fragmentation linked? Global economic integration is a condition whose origins are to be found in the mid-nineteenth century, with the rise of English liberalism and the doctrine of free trade as propagated by the Manchester School. With fits, starts, and retreats, such integration has reached into more and more places in the world, creating myriad webs of material linkages. The fact that such integration has become so widespread does not, of course, mean that all places in the world share in the resulting benefits. It is uneven development that makes capitalism so dynamic and the constant search for new combinations of factors that drives innovation; the fact that there are multiple economic "systems" present in any one location simply adds to the dynamism of the process.[21] Today's comparative advantage may consequently be tomorrow's competitive drag.

The political implications for the nation-state of such a process have not been given much thought. Comparative advantage is no

longer a feature of states as a whole—it never really has been in any event—but rather of region and locale, where the combination of material, technological, and intellectual is, perhaps only momentarily, fortuitous.[22] The specific advantages of a place such as Silicon Valley—in many ways an historical accident as much as the result of deliberate policy[23]—have only limited spillover in terms of a country as a whole. These conditions, moreover, seem not to be easily reproduced in the short term.[24]

The competition among places to attract investment and jobs thus becomes more of a zero-sum game than a positive-sum one, and this point is not lost, for example, on the American states and cities that have established foreign trade offices and regularly send trade missions abroad as well.[25] Capital has its choice of locations in which to invest; cities, communities, places—and to a certain degree, labor—have a limited set of factors through which they can attract capital. Indeed, this competition has become a business opportunity for some; a recent article in the San Francisco *Examiner* describes the activities of a consulting firm providing city and regional marketing programs for economic development as resembling those

> of an international arms dealer—selling weapons to one ruler and then making a pitch to the neighboring potentate based on the new threat. Part of the pitch for these [economic development] programs is that a region needs its own program to survive against the rival programs of other areas.[26]

Such competition can become the cause of considerable political antagonism, against both the neighbors who win and the authorities who have contributed to these conditions of competitive struggle in the first place. How such antagonisms play themselves out is contextual and contingent, of course, and often depends on preexisting social and political "fault lines" that fracture under the pressures of real, potential, or imagined competition. In some countries, these fault lines were intended to be administrative but were drawn up in ethnic or national terms; in other places, the fault lines are linguistic, religious, clan-based, "tribal," or even vaguely cultural.[27] It goes without saying that those places in which people have fallen to killing each other have nothing to offer global capital—they have, quite literally, fallen out of "history"—but places able to break away from the political grip of larger polities, as Slovenia escaped

the competitive drag of Serbia, will be well placed to participate in the global economy.

Ethnicity enters this equation as follows: For more than forty years, the control of states and governments was contested through the conflicting discourses of "free world" liberalism and "Soviet bloc" communism. Many of those who held power did so with the real or imagined assistance of one superpower patron; those who aspired to power asked for help from the other. The political coloration of regimes in power changed—now left, now right—but borders did not. The emergence of new nation-states was obviated by the lines drawn on the maps of the world and reified as eternally fixed.[28]

These two dominating discourses have now been superseded by one. Inasmuch as all contenders for state control must now profess, if not practice, economic and political liberalism, material assistance in the struggle for power can no longer be generated, as it was during the cold war, by appeals to the great ideological contenders. Within a liberal framework, efforts to capture power are now seen as internationally legitimate only if they occur through some form of nominally democratic electoral process. The acquisition of power by these means, however, requires the support of the majority of an electorate, which, because of societal demography and the residues of recent history, may be difficult if not impossible in many instances.

There is, however, another strategy available to those seeking power and control: a state of one's own. National borders are now subject to change, as evidenced in the breakup of the Soviet Union, Czechoslovakia, and Yugoslavia. If one cannot capture power within an existing state, why not create a new one, within which one's brethren or associates in political belief do constitute a majority? Herein lies a problem, however: those who govern existing states are extremely reluctant to see parts of them break away since this tends to delegitimize domestically the ruling regime and open it up to attacks from all sides. Indeed, the holders of power are likely to see such secessionist efforts as threats to the security of both state and nation and to respond accordingly. Hence the logic of the state and state system, the first defined in exclusivist national terms, the second positing international legitimacy only through a "nation-state," pushes in the direction of *more* states.[29] Inasmuch as the state has come to be defined in terms of a single nation—even when this is manifestly untrue—something, or someone, has to give.

This framework is not quite complete, however. Layered on top of this neo-Westphalian geopolitical structure is a more recent economic one, manifested through globalization and liberalization. Globalization, in this instance, is a process of liberalization, integration, and development, as well as social and organizational innovation, that "levels the economic playing field" by fostering capital mobility and reducing government intervention into markets.[30] Governments are enjoined to increase national prosperity by reducing social expenditures, with the result that the distributive functions of the state are undermined or eliminated at the precise time when they are most needed: to buy off, as it were, dissatisfied or deprived elements of the citizenry.[31]

Sectarian conflict follows from the same economic logic, but a somewhat different geopolitical one. Globalization—in its economic and other forms—has undermined "national security" not only by confusing "outside" and "inside," but also by showing up the inefficiency and ineffectiveness of national security discourse as a means of social control. Moreover, many states are finding it difficult, if not impossible, to provide the welfare functions that would help them to buy off dissatisfied or oppositional groups. Consequently, the state is being delegitimized as the protector of society even as religious movements that claim to "protect" society through social and civil action are emerging or being revived. The proliferation of religious movements within countries and across borders is simply one manifestation of this process.[32]

In a truly "globalized" world, of course, such dissatisfaction would be remedied by complete labor mobility, as was the case with immigration into the United States during the late nineteenth and early twentieth centuries (and which is still the case, to some degree, today). During the cold war, a certain amount of labor mobility was permitted to those seeking political asylum from leftist persecution and also in the economic and security interests of the "free world" (as, for example, Turks and Yugoslavs migrating into the European Community as "guest workers"). But today such mobility is allowed primarily only to those who possess the skills or capital to obtain a visa and emigrate; most of those left behind do not have such legal opportunities (although some number are willing to try illegal methods).[33]

More fundamental than this, however, and rarely examined, is the relationship between individual identity and state policy—that is, the ways in which deliberate choices made by policymakers establish a set of opportunities and constraints for individual citizens, whose success or failure may then be strongly influenced by or dependent on these policy choices. Individuals are presented with certain opportunities or choices, but not everything is possible and, more to the point, policies put in place can restrict these choices, even if these are policies that leave much of the "action" to the market.[34] The forces of liberalization and capitalism and the new logic of global production can be understood as *macrolevel* or structural phenomena: they establish broad constraints and push in certain directions (although never in a wholly deterministic sense). But any discussion focused at this macrolevel operates abstractly: workers are affected, to be sure, but their preferences are assumed such that they will willingly seek out work elsewhere, either by moving, finding new jobs requiring the skills they now possess, or acquiring the new skills needed for new jobs.[35]

This version of economic change ignores, however, what goes on at the microlevel and the ways in which *individuals* are affected by such changes and respond to them. What such structural changes actually do is to alter the "location" of individuals in a particular set of social relations, displacing them from the roles to which they have been accustomed without pointing to definitive alternatives. As one scholar of the "ideology of success and failure" in Western societies puts it,

> Society is considered to be "in order" and justice is considered "to be done" when those individuals, in general, attain success who "deserve" it, in accordance with the existing norms. If this does not happen, then people feel that "there is no justice" or that something is basically wrong.[36]

At the extremes, consequently, rationalization of such displacement may take one of two forms: self-blame or scapegoating. Self-blame is more common in the United States, given the high emphasis placed on individualism and entrepreneurism, but self-blame can also generate anger that is externalized in the form of scapegoating. Who or what is scapegoated—it may be other countries, minorities and immigrants, or particular economic or political interests—de-

pends on how the causes of displacement are explained and understood. Explanations drawn from academic economic models are, generally speaking, unintelligible to all but trained economists; putting the blame on specific individuals or groups is much easier and has "the function of replacing incomprehensible phenomena by comprehensible ones by equating their origins with the intentions of certain persons."[37]

What ultimately happens in a specific country is not determined by these two overarching structures; these operate, rather, by imposing certain demands *and* constraints on domestic possibilities. To understand what has happened, for example, in Yugoslavia, we must look to the ways in which the history of that country has intersected with these global structures; that is the focus of Beverly Crawford's paper elsewhere in this volume. Below, I will propose a generalized framework for analyzing ethnic conflict within specific countries, with the caveat that only a careful reading of each one's history, political economy, and ideology can fully explain outcomes.

GROWING TOGETHER OR COMING APART? A FRAMEWORK FOR ANALYSIS[38]

ETHNICITY, NATIONALISM, WAR: THE CONVENTIONAL WISDOM

For the purposes of this chapter, we can identify five general "theories" of ethnicity. The first suggests that ethnicity is *biological*. Thus one view argues that ethnic tensions are somehow "natural." Observes one scholar, "People reflexively grasp at ethnic or national identifications or what passes for them."[39] An alternative formulation, which falls back on sociobiology, argues that "the urge to define and reject the other goes back to our remotest human ancestors, and indeed beyond them to our animal predecessors."[40]

Another view, as enunciated by U.S. Secretary of State Warren Christopher and others, invokes *primordiality* and accounts for the emergence of ethnic politics and the accompanying violence by invoking centuries of accumulated hatreds among primordial "nations." These hatreds, it is often argued, have exploded as a consequence of the end of the cold war and the disappearance of the

repressive mechanisms that kept them from boiling over for four decades. Indeed as can be seen in the case of Croatia and Serbia, such invocations, akin to a form of historical materialism, serve to "naturalize" ethnic consciousness and conflict almost as much as do genetic theories. Inasmuch as we cannot change historical consciousness, we must allow it to work its way out.

A third theory, most closely associated with Benedict Anderson, but held by many others, is the *imagined community*.[41] This view suggests that ethnicity and ethnic consciousness are best understood as the "intellectual projects" of a bourgeois intelligentsia seeking to establish what Ernest Gellner has called a "high culture" distinctive from other, already existing ones.[42] Such individuals are often located in the peripheral regions of empires or states, excluded from the center by reason of birth or class, yet highly educated and aware of the cultural and political possibilities of an identity distinct from that of the center. Ethnicity, from this view, is cultural and not inherently violent.

A fourth perspective is what can be called the *defensive* one. Here the logics of the state and state system start to come into play. Historically states have been defined largely in terms of the territory they occupy and the resources and populations they control. Hence the state must of necessity impose clearly defined borders between itself and other states. To do this, the state must plausibly demonstrate that the identities of other states and groups pose a threat to its specific emergent "nation." Herein, then, lies the logic for the politicization of group identity or the emergence of "ethnicity" and "ethnic conflict": self-defense.

The last view, which is discussed in greater detail below, is *instrumental*: ethnicity is the result of projects designed to capture state power and control. But such a project is not, as we shall see, a totally ahistorical one, as rational choice theory might have us believe. It is a response, as I argued above, to the logics of the state system and globalization, but it draws on historical and cultural elements that are already present and invokes the "threats" posed by other real or emergent ethnicities as a reason for its own formation.[43] Efforts to provide "national/cultural autonomy" to ethnic and religious groups were tried in the Ottoman and Hapsburg Empires but failed largely because they did not provide to these groups the

power accorded to the dominant identity group in those empires and their subunits. Only through a "state of one's own" was this possible.

The problem with each of these views or theories individually is that they are incomplete. Each provides some element of the whole, but none, taken alone, is sufficient. Moreover, each assumes that the phenomenon we call "ethnicity" (or alternatively "nationalism") is necessarily the same today as it was 200 or even 1,000 years ago. But the systems within which this phenomenon has emerged over the past 200 years have not been static, and to the extent that these systemic conditions pose both demands and constraints on domestic political configurations, "ethnicity" must be different. But how? In what follows, I provide a framework for, first, understanding this difference and, second, accounting for the recent rise in "ethnic" conflict.

ETHNICITY AND IDENTITY

I begin with "ethnicity" and "identity." What are they? How are they linked? How do they differ from "nationalism"? Or are they the same? The contemporary literature on "identity" is vast. While there is only limited agreement on what it is, there is almost universal accord that it is being challenged and changed. But it is difficult to posit challenges without some basic notion of what the concept means. More to the point, although human beings acquire "identities" as an almost biological process, the identities that they acquire are socially constructed and not biologically determined. If this is so, the specific content of identity, ethnicity, and nationality are all social and open to contestation. Why some identities have resonance for some people and others do not is not entirely obvious, as we shall see. I shall, however, offer an explanation that draws on both a material basis and a cognitive one. I also argue that there is good reason to differentiate among the three concepts, even though in practice they are often conflated.

There are two fundamental aspects to identity. First, it is *egoistic* since it consciously and deliberately locates the self in the world. Second, it is *relational*, inasmuch as it must exist in contrast to others who hold the same identity, as well as to one or more other identities. As must be evident from these two statements, there is nothing here

that limits identities or, for that matter, determines them; rather, they grow out of the social relationships among human beings. In other words, one's identity is a means of placing oneself within a social setting; indeed one can hardly say that the individual exists meaningfully without society and identity. Of course, in practice there are limits and constraints to the range of identities available to any individual or group; these are embedded in the histories of societies, and these are removed or changed very slowly, if at all.[44]

People are born into their social situations and for the most part have their initial identities imposed on them by others who are older, more authoritative, more powerful. These initial identities are micro-situational, generated by the practices and structures of everyday life.[45] Socialization inducts people into other identities, some of which build on earlier ones, others of which are "new." In "traditional" societies, one was often born not only into a family and lineage, but also into a cultural and economic division of labor in which identity was fairly well fixed for most people. It was possible for individuals to change some aspects of their identity—for example, by being "inducted" and assimilated into other cultures—but it was fairly uncommon for groups as a whole to do so.[46]

In the most general terms, then, we can characterize identity as being both cognitive and material, as being a means of placing oneself within a society and a social division of labor. In this respect, identity functions at three levels. First, it specifies the role of the self—Who am I? Why am I here? Second, it is relational with a group—Where am I? Who are these people around me? Third, it is relational between groups—Who are we? What do we do? None of these levels is ontologically privileged; they comprise a sort of "identity field." While I do not wish to suggest that these are the consequences of some kind of functionalist logic within societies, there is a self-reproducing logic that keeps these identity fields relatively stable over extended periods of time. Nor are they eternally fixed; they can be disrupted by crisis or catastrophe, or they can be reframed as contingencies demand.

Identities, as I theorize them here, then, are not inherently politicized. That is, if politics is about the struggle for power and resources, stable identity fields tend not to be subject to such struggles, inasmuch as this question of distribution is settled for the moment.[47] But this observation also provides a useful insight into why "modern" societies are so permeated by such political struggles. Where

identities are not relatively stable and there is always the possibility of seeking out new ones, the distribution of power and resources is not fixed. While modern societies attempt to modify such struggles through notions such as citizenship and nationalism, these impose only qualifications for participating in the distribution; they say little or nothing about how that distribution is to be decided. As I shall suggest below, saying something about this distribution—or the basis for it—is one of the critical roles of what we call the "social contract." The social contract, in turn, is a critical part of *nationalism.*

THE EMERGENCE OF NATIONALISM

How can we explain nationalism, especially in relation to identity as I have discussed it above? Nationalism is generally taken to imply the congruence of "nation" and "state," where the state is a juridical, territorially bound entity and the nation a group of people defined by certain shared attributes.[48] Theorists tend to posit two paths via which nationalisms develop. Elsewhere in this volume, Andrew Bell-Fialkoff and Andrei Markovits cite R. D. Grillo's schema: Either one observes the "ethnicization of the polity . . . where a state 'constructs' a nation from often heterogenous elements," or the "politicization of ethnicity . . . where an ethnic group strives for and achieves statehood."[49] In both instances, the assumption seems to be that some internal process of self-awareness and actualization is at work, out of which the need for a "nation" becomes self-evident. Having recognized this need, certain groups—most often the intelligentsia of the proto-nation—proceed to assemble the elements that will demonstrate the essential cultural and historical unity of the people in question. Whether such a unity is objectively "real" or not is beside the point; following Benedict Anderson, not only is membership in a nation "imagined"—since one never meets all other members—but the antecedents are also imagined into being so that they acquire real political force.

Self-actualization is a necessary but not sufficient condition; nationalisms do not grow out of vacuums. There must be reasons for their emergence. The spaces out of which nationalisms emerge are not empty; the inhabitants of those spaces already have identities and live within larger, mostly stable identity fields. So why should

new, state-centered ones be needed? Here the logic of the state system comes into play, a logic that overrides whatever identity fields already exist. Whereas an identity field is *place-bound,* for historical and economic reasons, it is not *strongly bounded.* That is, there are no surveyed borders between such fields; they blend into one another rather than having clearly differentiated boundaries.[50]

Historically, however—that is, over the past 200 years—states have been defined largely in terms of the territory they occupy and the resources and populations they control. *Borders do matter.* Hence the state must of necessity impose clearly defined borders between identities and does so by "imagining" nationalisms that establish new intra- and intergroup (i.e., state) relations. In a sense, this involves an attempt to isolate groups from each other via "national" boundaries and to put in place a more "primitive" state of social development—Hobbes's state of nature among states—which international relations theories describe as "anarchy" (although in practice this effort does not work).[51]

This also suggests why nationalism is so often associated with organized violence and warfare (and why "peaceful nationalism" might be an oxymoron). In order to override or destroy older identity fields, the state must plausibly demonstrate that their continuation poses a threat to a specific emergent "nation." Inasmuch as coexistence has been the norm—otherwise, there would be no identity field—this can happen only through violence that provokes such threats into being and then seeks to eliminate the sources of those threats—that is, the other identities.

There is general agreement that nationalism first emerged out of the English and French revolutions of the seventeenth and eighteenth centuries and thence spread throughout Europe and the rest of the world.[52] If we look at this process in Europe in particular, we discover that nationalism was as much a defensive reaction against others as a process of nation- or state-building. More identity fields than states, under other geopolitical conditions the territorial entities that preceded Germany and Italy might well have been absorbed into more powerful and threatening neighbors, as they later sought to absorb weaker ones. Their conquest and consolidation into larger units relegated these prior identities to little more than place or city names. Even those "nations" that preceded states were created for defensive reasons: Hungarians, Czechs, Slovaks, and others, for ex-

ample, sought to create a nation with entitlement to a state as a means of resisting the cultural and political imperialism of the Hapsburg Empire's center.

History does matter in this schema, of course, but not as the inflexible determinant of outcomes. History becomes important in that it provides the raw materials out of which ethnic identities are constructed (or imagined, to use Anderson's felicitous term). Not all feasible elements can be incorporated into such identities; only those that have arguably been historically present and have some familiarity for groups of people are part of this pool. When it is possible to argue that, for instance, language, religion, food, dress, appearance, locale, and narratives, among other things, comprise a recognizable "package" of characteristics, it becomes possible to construct an ethnic identity. Why some elements become part of the package and not others is a source of endless debate, but the reasons are probably strategic, romantic, or both.[53]

This identity is more than the cultural unit present in an identity field, but less than full-blown nationalism, which demands a "state of its own." What we call "ethnicity" is ultimately the product of a dialectic between international processes and pressures and domestic contexts—that is, ethnicity emerges out of specific times and places, a point to which I will return below. Historically—that is, during the nineteenth century and the first half of the twentieth—the "external" process had largely to do with the formation and propagation of the European state system. The result was a complex of militarized (or militarily dependent) states poised to defend their territories and newly incorporated peoples from their neighbors. These types of arrangements functioned reasonably well only so long as a country was able to maintain a relatively high degree of political, cultural, and economic autonomy. Autonomy could be maintained only so long as the state of affairs on the "outside" did not place unreasonable demands or pressures on such internal formations.[54] As Alexander Gerschenkron observed more than thirty years ago, however, such isolation has been very difficult to maintain in the industrialized world, and the followers often find their survival dependent on emulating the development processes of the leaders.[55] The development strategies pursued by followers such as Germany and Japan made it possible for them to become great powers after only a few decades of effort.

There is, however, a significant difference between the process described by Gerschenkron and the situation faced by countries today. At the turn of the century, state security—territorial survival and cultural distinctiveness—was *the* primary national goal, and it was manifested within Europe through the alliance system and outside of Europe via imperialism. In the name of state security, governments were able to mobilize populations toward statist ends via centralized systems of education, employment, and social welfare.[56] These programs also served, by and large, to improve individual welfare, thereby reinforcing loyalty to and identification with the state. The goals of state and individual were for the most part in concert.

While state security remains a concern today, the generation of national wealth and individual enrichment have replaced territorial integrity as the articulation of state strength—viz., the "trading state" vs. the "territorial state."[57] Economic liberalism puts a premium, moreover, on *individual* rights and development as the engine of growth, in place of the rights and development of the *state*, which were primary at the beginning of the twentieth century; this is the notion, so popular in the United States, of "getting the government off our backs." These goals lead to a paradox (although contradiction might be a better term): the state's right and ability to mobilize popular support is being undermined at the very point at which the state is also required to implement policies that erode popular support and legitimacy. It is under these circumstances that the politicization of identity—ethnicity—is most likely to occur and become virulent and violent.

ETHNICITY, IDENTITY, AND THE SOCIAL CONTRACT

None of this specifies the actual conditions under which ethnic identities are mobilized. To account for that process, we must look more closely at the relationship between domestic and international conditions and how, specifically, the latter impinge on the former. As Georgi Derluguian has put it, regarding conflicts usually labeled "ethnic,"

> [Their sources are] to be found in the prevailing processes in a state's environment, which may be only tenuously divided into

> "external"—the interstate system and the world economy—and "internal," which, according to Charles Tilly, shapes the state's structure and its relation to the subject population and determines who are the major actors within a particular polity, as well as how they approach political struggle.

The key here is the erosion of the "internal" configuration of society—which I label the "social contract"—by these external forces.

All stable countries are characterized by political and social arrangements that have some form of historical legitimacy.[58] The concept of the social contract is conventionally ascribed to Rousseau and Locke, who argued that the state is the result of what amounts to a contractual agreement among people to yield up certain "natural" rights and freedoms in exchange for political stability and protection. Locke went so far as to argue that no state was legitimate that did not rule with the consent of the governed, a notion that retains its currency in the contemporary rage for "democratic enlargement." Rousseau's theory of the origin of the state owed much to the notion of consent as well, although he recognized that some sovereigns ruled through contempt, rather than consent, of the governed. Both philosophers acknowledged, as well, the importance of material life to the maintenance of the social contract.

My use of the term is somewhat different in that it assumes nothing so formalized. Sometimes these contracts are expressed in written constitutions; at other times, they are not written down but are found instead in the political and social institutions of a country. In either case, social contracts structure the terms of citizenship and inclusion in a country's political community, the rules of political participation, the political relationship between the central state and its various regions, and the distribution of material resources within the country.

Social contracts also tend to specify the roles that people may occupy within the country and society and the relationships between these roles. Frequently these roles and relationships have what we would call an ethnic or religious character as, for example, in the traditional caste system in India, or the ethnic divisions of labor one might have found throughout the lands of the former Ottoman Empire, institutionalized in the *millet* system and still found in places in the Caucasus (as well as in American cities). Such social contracts

are frequently neither just, equitable, nor fair; they are, however, widely accepted, and people tend to try not to disrupt them, if only because such disruption can also affect the disruptors' material position. The social contract is therefore the constitutive source of social and political stability within countries. I do not claim that these social contracts are necessarily respectful of human rights or economically efficient, only that as historical constructs they possess a certain degree of legitimacy and authority that allows societies to reproduce themselves in a fairly peaceful manner over extended periods of time.

These forms of social contract are not of course found only in "traditional" societies; the ex-Socialist countries were also characterized by such arrangements, which were, once again, constitutive, if not constitutional. Certain groups or classes—the *nomenklatura*—were endowed with mostly informal rights and access to resources that gave them power and wealth within these societies, while other groups, lacking such rights and access, nonetheless had their welfare provided for by the arrangements in place.[59] Again, it is not my intention to argue the relative merits or faults of such contracts, but only to point out that they maintained a relative degree of social stability and cohesion within these countries.

It is critical to recognize, moreover, that social contracts as such are not present only with respect to state-society relations; societies themselves are characterized by such arrangements, often in spite of the active attempt by a state to alter or eliminate them. Institutions whose role it is to maintain political stability contribute to the maintenance of these social contracts, and so it should come as no surprise that when these institutions undergo transformations of a fundamental sort, so do social contracts. Indeed it is at these points of transformation that social conflict is most likely to break out.

Social contracts are thus characterized by particular distributions of power and wealth which have become institutionalized and legitimated, over time.[60] Political and economic changes challenge these distributions and threaten those who have possessed power and wealth. At the same time, however, such transitions also offer great possibilities for power and wealth to those entrepreneurial enough to see the opportunities inherent in the newly emerging systems. But they also provide the context in which political violence

can erupt, as struggles develop over who is to gain access to the newly contested levers of institutional power.

EROSION OF THE SOCIAL CONTRACT

Why should the social contract of a political collective change? Why do social relations not remain stable, especially if they are acceptable to all parties involved? To explain this, we need to look more closely at the emergence of the modern state. The state, as it began to emerge in the eighteenth and nineteenth centuries, had an agenda different from the traditional one: to mobilize the new citizenry in the service of the state. The reasons for this remain the subject of intense debate, roughly characterized on one side by those who argue that the process was driven by the security function, and on the other by those who believe that the bourgeoisie developed alliances with rulers as a means of promoting and protecting accumulation. Whatever the reason, the resulting mobilization opened up opportunities for social mobility that heretofore had not been available. Over a period of time, therefore, the social contracts of these emerging, primarily European states began, first, to come under growing pressures, both domestic and foreign, and, second, to be codified in actual written constitutions.

It was in this context that nationalism emerged in the form of a myth-based set of beliefs that "naturalized" the inevitable association of peoples that heretofore had been linked together largely through social relations of production. The resulting social contract was not—could not be—only an ideological doctrine, however, inasmuch as mobilization and industrialization also required a restructuring of those social relations of production. In this process—what we would today call "modernization"—both identity and institutions were challenged and transformed, and peoples' places in the social system called into question. Old roles were destroyed; new ones were created. The consequence was a significant disruption of what had come before—witness the economic and social consequences of industrialization in England during the first half of the 1800s—and a search for new sources of order.

Some fifty years were required for this instability to work its way through European societies, but the resulting "stability" was

still ephemeral. The revolutions of 1848, driven by both nascent nationalisms and populism, set in motion still another turn of the wheel, leading to the unification of Germany and Italy and setting the stage for future disorder as well. In each of these cycles, the formation of new identities was paralleled by the rejection of others, who were cast outside of the social contract of the emerging collectivity. With each turn of this wheel, moreover, the explicit material content of the social contract was downplayed in favor of the ideological content. As a citizen of the new community, one enjoyed the spiritual benefits, if not the material ones. Unfortunately you cannot eat patriotism, and in order to minimize the dissatisfactions of the poorer classes, as well as to conduct large-scale warfare, the welfare state came into being.

This amendment to the original social contract was in part a result of the Industrial Revolution and its spread throughout Europe. If citizens were to fulfill their part of the deal, they had to be able bodied, not yoked to the land through feudal relations, and willing to support government and state. Hence states increasingly found it necessary to intervene in the workings of the economy to ensure that support from their populations would be forthcoming. This meant better working conditions and higher living standards, as well as mass education to achieve socialization and training compatible with developing technology. From the middle of the twentieth century, as the security and protection function of the state became easier to flaunt but more and more difficult to fulfill (for although new armaments, promising greater levels of protection and deterrence, could always be procured, the possibilities of actually securing populations in the event of war decreased), the welfare function of the state came to dominate, reaching its apogee in the countries of Western Europe.

During the decades following World War II, therefore, there were growing expectations in terms of the quantity and breadth of services provided by government bureaucracies. The paradox was that the increasing cost of providing such services, ultimately paid through the tax base, began to generate a backlash among those who provided the revenues.[61] The commitment to economic liberalism and efficiency prevalent in the last decade has put further pressure on governments to balance budgets and reduce welfare expenditures. As the shortfall between revenues and costs increases, cut-

backs in the welfare function follow, with the result that services deteriorate. This in turn leads to a gradual delegitimation of the state and a growing reliance on society to find other ways of fulfilling the welfare function. The state has also begun to fall short in yet another way. As it loses competence and begins to shed functions, it also loses the ability to manage and govern. This is especially true when governments are responsible for a vast range of highly complex problems rather than just the more traditional ones, such as war and finance—a point seen most clearly in terms of environmental quality and protection.

This process of "state-shrinking" is not, strictly speaking, attributable to any one factor. There is, however, a strong argument to be made that the processes of international competition, the globalization of capital, and pressures for economic liberalization and democratization are playing a significant role. This is true, as I shall argue below, even where liberalization has not actually taken place. The economic liberalization project of the industrialized and industrializing worlds, as well as international lenders, is largely rooted in two historical observations: first, the success of postwar economic growth strategies in the 1950s and 1960s, and second, the subsequent decrease in growth rates and economic stagnation during the 1970s and 1980s.

Paradoxically, perhaps, supporters of liberalization put the blame for economic stagnation on the very elements of the welfare state that made possible the high rates of growth in the earlier decades. It has become a virtual article of faith that reestablishing these historical growth patterns depends on reducing costs to capital of doing business. This will restore profit levels, facilitate capital accumulation, and provide incentives for investment rather than consumption. This strategy will work, however, only if social costs are sloughed off by the state onto individuals. In one form or another, this process is happening throughout the world.

Countries are therefore compelled by the pressures of the global economic system—specifically the desires of international finance and the domestic political need to establish themselves as viable players in the international economy—into pursuing domestic policies that will make them attractive to capital and foreign investment. This, it is hoped, will help them to build up an industrial base that will allow further generation of wealth, creation of economic oppor-

tunities for individual and country, and a general improvement of living standards. These policies of "structural adjustment" and their consequences have been extensively analyzed, with conflicting conclusions. Some argue that they have little or no impact on social and political stability; others find that they do.[62] What is critical is that such policies are not implemented or even discussed in isolation; they raise questions about the very matrix of social relations, power, and wealth that characterizes every society, every country in the world—or the social contract, in other words. Difficulties arise, in particular, when such pressures are translated into the changes deemed necessary to the domestic social contract.

It is in these contexts that what appears to be ethnic or sectarian conflict is most likely to develop. To borrow a term from Marxist analysis, such situations are "underdetermined." Old institutional arrangements have been discredited and have lost their legitimacy, but this does not mean that the holders of power in those old arrangements have been executed or exiled. Often they remain in place. But the new democratic order relies for its legitimacy on new practices, such as the holding of open elections or privatization of property. These exercises lead to shifts in power and wealth that are opposed by the old guard, which will seek to restore some version of the status quo ante. Ironically, perhaps, these very same mechanisms can also lead to reproduction of the status quo ante under a different name, thereby generating opposition movements who seek to capture power in the name of a new order.

It is important to note that the exogenous forces which trigger such internal struggles are not in and of themselves to blame for the violence that often results. Economically and politically liberal societies are, when all is said and done, preferable to nonliberal ones in terms of fairness, justice, and equity. But the process of transition is fraught with risks and full of pitfalls, and the ability of a society to make the shift is strongly constrained by the social structures of the earlier period. There was no compelling reason, for example, why Yugoslavia should have fallen apart along ethnic lines, except that its constituent republics were named in these terms and resources distributed to them in these terms.[63]

By letting the market determine winners and losers, the state yields up its right to rectify disadvantages suffered by particular groups. Moreover, while *political* liberalization is thought to provide

the wherewithal to all *individuals* to participate equally in the economy, the levers of economic and political power in many countries are to be found in the hands of some dominant group that is better placed and able to take advantage of the new conditions created under *economic* liberalization. The result is a growing disaffection among disadvantaged groups, whose identity is often defined in ethnic or sectarian terms and who come to imagine the utility of a "state of their own."

THE EMERGENCE OF POLITICAL ENTREPRENEURS

Such disaffection does not coalesce into outright political action of its own accord, however; it must be mobilized in an organized fashion. In such situations, people face the possibility of making meaningful choices about the future that do not involve ethnically constrained identities.[64] The problem is that political and economic changes of virtually any type cut against the grain of prior stratification and corporatism. Faced with this, those who would lose power and those who would grasp it tend to see power in absolute and exclusionary terms and fall back on exclusive and oppositional identities, based on ethnic, religious, and class elements. Thus people do not grasp "reflexively" for their essential ethnic identity when political power and authority crumble; rather, exclusive and oppositional identities, based on ethnic, religious, and class elements, are politically constructed and made virulent as those in power or those who would grasp power—"political entrepreneurs"—try to mobilize populations in support of their struggles with other elites for political power, social status, and economic resources.[65]

Rene Lemarchand, in a small book on the Hutu-Tutsi conflict in Burundi—which bears a great deal of similarity to what has transpired in Rwanda since 1959—puts it thus:

> The crystallization of group identities is not a random occurrence; it is traceable to specific strategies, pursued by ethnic entrepreneurs centrally concerned with the mobilization of group loyalties on behalf of collective interests defined in terms of kinship, region or ethnicity. . . . Clearly, one cannot overestimate the part played by individual actors in defining the nature of the threats posed to their respective communities, framing strategies de-

> signed to counter such threats, rallying support for their cause, bringing pressure to bear on key decision makers, and, in short, politicizing ethnoregional identities. . . . The essential point to note is the centrality of the state both as an instrument of group domination and as an arena where segments of the dominant group compete among themselves to gain maximum control over patronage resources. So from this perspective the state, far from being a mere abstraction, emerges as a cluster of individual contestants and cliques actively involved in the struggle for control over the party, the army, the government, the civil service, and parastatal organizations. . . . *Access to the state thus becomes a source of potential rewards for some groups and deprivations for others.*[66]

To put the argument more prosaically, in social settings that are underdetermined—where rules and institutions have broken down or are being changed—opportunities often exist for acquiring both power and wealth. There are material benefits to social solidarity. Kinship can function as a form of social capital, establishing relations of trust even where they have not existed previously. The political mobilization of ethnic identity is one means of taking advantage of such opportunities. That such a program might end in tears and death is hardly recognized.

Who or what, then, is a political entrepreneur? The concept comes from rational choice theorists, who argue that only those individuals who can provide appropriate incentives to potential group members will be able to mobilize them as followers. As David Laitin puts it:

> A good entrepreneur . . . is one who knows how to provide "selective incentives" to particular individuals to joint in the group effort. Communal groups will politicize when there is an entrepreneur who (perhaps instinctively) understands the constraints to organization of rational individual behavior.[67]

Elsewhere in this volume, Philip Roeder argues that

> [Entrepreneurs] compete with other political entrepreneurs for support within the population by offering programs of collective action that often benefit individuals with some markers but not others. Entrepreneurs compete with one another not only by ap-

> pealing to different individuals, but often by appealing to the same individuals on the basis of the same or different markers. These competing programs identify aggregates of markers that define the ethnic community in different ways.[68]

Or, as Norman Long points out in a somewhat different context:

> Effective agency . . . requires organizing capacities; it is not simply the result of possessing certain persuasive powers or forms of charisma. . . . Agency (and power) depend crucially upon the emergence of a network of actors who become partially, though hardly ever completely, enrolled in the "project" of some other person or persons. . . . It becomes essential, therefore, for social actors to win the struggles that take place over the attribution of specific social meanings to particular events, actions and ideas.[69]

In other words, a political entrepreneur is one who is able to articulate, in a coherent and plausible fashion, the structure of opportunities and constraints that face a specified group of people and in particular emphasize clearly the potential costs of not acting collectively. Such appeals have historically been especially persuasive in times of trouble, when societies are faced with high degrees of uncertainty and particular groups within societies see their economic and social prospects under challenge.

Not everyone can be a political entrepreneur; few people will listen to someone who has not already attained some position of power, wealth, authority, or wisdom. This, then, provides a second key to the nature of the phenomenon: the political entrepreneur is one who has a great deal to lose or, perhaps, gain and is thereby motivated to grab opportunities as they present themselves.[70] In other words, political entrepreneurs are well-placed individuals who are able to develop or carry plausible "stories" of how and why particular social conditions have come to pass—often through specification of those who are said to bear special responsibility for those conditions—and what must be done to rectify them. Such entrepreneurs may be members, present or past, of the political elite under fire, officers in the military, cultural or communal leaders, or teachers, professionals, and intellectuals. They are hardly ever members of the "masses" or "grass roots"; they almost always aspire to preserve or improve their material and political standing.

Finally, the political entrepreneur must have a special sense of what kinds of concepts and ideas are most resonant to society. This is why shared elements of history and culture—the "imagined community" of Benedict Anderson—are often called upon by such individuals: they help to establish a collective bond among a group of otherwise somewhat disconnected individuals (e.g., shared ancestry); they help to provide an account of why this group is, at this particular time in history, unaccountably suffering (e.g., "timeless hatreds"); and they help to offer a solution to the problem (e.g., a "nation" that can defend itself). Franz Schurmann wrote about this idea in relation to American politicians; he argued:

> While most citizens in society hold political opinions about the economy, the state of their security, and the social quality of their lives, these opinions are periodically molded into fixed sets of ideas, which persist for a long while. . . . They are like the currents in an ocean always available for a ship captain to sail on. Good politicians have a keen sense of those currents and know how to play with them.[71]

The remainder of the story is relatively straightforward: inasmuch as there is no room for more than one exclusivist ethnic movement within a "nation-state," the struggle for power seems to inevitably lead to attempts by one side to exclude or eliminate the other. At this point, the contradiction between the nominal systemic commitment to the inviolability of state borders and the right to national self-determination—really the opportunity for *national* development free of the demands of competing groups and communities—comes to the fore and the logic of war and ethnic cleansing follows.

CONCLUSION

The perceptive reader will have noted that all references to "sectarian" conflict have dropped out of the framework presented in this paper. Sectarian conflict fits only a part of this framework but for the most part involves struggles among competing social groups for state power, not a new state. Still it is instructive to note that the agents of religious "isms" seek to alter the constitutive basis of the

states they seek to rule, and do so in a manner similar to that utilized by ethnic political entrepreneurs. Survey data and anecdotal observations suggest that many of the individuals active in Islamist movements would in earlier decades have belonged to Marxist groups intent on regime change.[72] In other words, the language has changed; the ends have not.

What this suggests is that ethnic and sectarian conflict, or what we call in this volume cultural conflict, are not about ethnicity and religion or about culture per se, but rather about setting the terms of discourse in conflict over state power and control. Just as "democracy" and "communism" functioned as discourses in domestic struggles for power during the cold war, so do ethnicity and religion operate today. They are instrumental means rather than ends. To be sure, any movement that gains power is then in a position to implement its ideology in the pursuit of certain ends. That, however, is another story.

NOTES

1. According to the Harvard Project on Internal Conflict at the JFK School, as of late 1995, thirty-five major armed intrastate conflicts were underway around the world. The number of nonviolent conflicts has not been counted.

2. For a more detailed discussion of this argument, see Georgi M. Derluguian, "Social Cohesion of the States," in *From Good Times to Bad? Trajectory of the World System, 1945–2025,* ed. Terence K. Hopkins and Immanuel Wallerstein (forthcoming).

3. John Ruggie has argued that the application was actually what he called "embedded liberalism,"—that is, the principles and goals were liberal, even if the initial practices were not. Even today, the economic system is not truly liberal as a whole, but it is liberal enough for the effects I describe here to happen. See "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order," in *International Regimes*, ed. Stephen D. Krasner (Ithaca: Cornell University Press, 1983), pp. 195–232.

4. This process is nicely explained in Thomas J. McCormick, *America's Half-Century* (Baltimore: Johns Hopkins University Press, 1989). See also Stephen Gill and David Law, "Global Hegemony and the Structural Power of Capi-

tal," in *Gramsci, Historical Materialism and International Relations,* ed. Stephen Gill (Cambridge: Cambridge University Press, 1993), pp. 93–124.

5. This is a fiction, of course. Even within the fifty states, there are significant differences from the perspective of capital. See Candace Howes and Ann R. Markusen, "Trade, Industry, and Economic Development," in *Trading Industries, Trading Regions—International Trade, American Industry, and Regional Economic Development*, ed. Heizi Noponen, Julie Graham, and Ann R. Markusen, pp. 1–44 (New York: Guilford, 1993); James Gerstenzang, "Boom Times Bring Trouble to Heartland," *San Francisco Chronicle,* 3 July 1995 (*LA Times* wireservice), p. C1.
6. J. Gallagher and R. Robinson, "The Imperialism of Free Trade," *Economic History Review* 6, 1 (1953, 2d Series): 1–15.
7. See the essays in Wolfgang Sachs, ed., *The Development Dictionary: A Guide to Knowledge and Power* (London: Zed, 1992).
8. Alexander Gerschenkron, *Economic Backwardness in Historical Perspective* (Cambridge, Mass.: Belknap Press, 1962).
9. The product cycle must have been evident to the designers of the Bretton Woods system since it was clear that in the nineteenth century national advantage had shifted from Britain to Germany and the United States. Gerschenkron's analysis of this period remains one of the best; for a more recent version, see H. Jeffrey Leonard, *Pollution and the Struggle for the World Product* (Cambridge: Cambridge University Press, 1988), esp. chs. 1–2.
10. Beverly Crawford, "Hawks, Doves, But No Owls: The New Security Dilemma under International Economic Interdependence," in *On Security,* ed. Ronnie D. Lipschutz, pp. 149–86 (New York: Columbia University Press, 1995).
11. Dwight D. Eisenhower, *Crusade in Europe* (New York, 1948); cited in B. I. Kaufman, *Trade and Aid: Eisenhower's Foreign Economic Policy, 1953–1961* (Baltimore: Johns Hopkins University Press, 1982), p. 12.
12. Robert A. Packenham, *Liberal America and the Third World* (Princeton: Princeton University Press, 1973). A contemporary version of this analysis can be found in Robert S. Chase, Emily B. Hill, and Paul Kennedy, "Pivotal States and U.S. Strategy," *Foreign Affairs* 75, 1 (January–February 1996): 33–51.
13. Beverly Crawford, *Economic Vulnerability in International Relations: East-West Trade, Investment, and Finance* (New York: Columbia University Press, 1993).
14. Saskia Sassen, *The Mobility of Labor and Capital* (Cambridge: Cambridge University Press, 1988); Richard Gordon, "Globalization, New Production Systems and the Spatial Division of Labor," in *The New Division of Labour: Emerging Forms of Work Organisation in International Perspective,* ed. Wolfgang Littek and Tony Charles, pp. 161–207 (Berlin: Walter de Gruyter, 1995).
15. Robert A. Pollard, *Economic Security and the Origins of the Cold War, 1945–1950* (New York: Columbia University Press, 1985).

16. Joanne Gowa, *Closing the Gold Window: Domestic Politics and the End of Bretton Woods* (Ithaca: Cornell University Press, 1983).
17. David A. Stockman, *The Triumph of Politics: How the Reagan Revolution Failed,* 1st ed. (New York: Harper and Row, 1986).
18. Gill and Law develop this argument in a theoretical fashion.
19. Not that I support mercantilism or protectionism, but see the arguments along these lines made in Michael Borrus, Ken Conca, Wayne Sandholz, Jay Stowsky, Steven Weber, and John Zysman, *The Highest Stakes: Technology, Economy and Security Policy* (New York: Oxford University Press, 1992).
20. The literature on this dialectic is expanding at an exponential rate; the best place to begin is with the essays in Yoshikazu Sakamoto, ed., *Global Transformation: Challenges to the State System* (Tokyo: United Nations University Press, 1994).
21. By this I mean that in any one location, there are economic systems of local, regional, national, transnational, and global extent. These are linked but not all of a single piece. Thus, for example, Silicon Valley is tightly integrated into the global economy, but some of its inhabitants are also participants in a service-based economy that, although coupled into global systems, is largely directed toward meeting local demand. For further discussion of the notion of multiple economies, see Gordon. This section has also been informed by a conversation with Randall Germain, University of Sheffield, 20 April 1996.
22. See, for example, Noponen, Graham, and Markusen, eds.; Neil Smith, "Uneven Development and Location Theory: Towards a Synthesis," in *New Models in Geography,* vol. 1, pp. 142–63 (London: Unwin Hyman, 1989).
23. The term for such historical contingency is "path dependency." See the discussion of this point in Paul Krugman, *Peddling Prosperity: Economic Sense and Nonsense in the Age of Diminished Expectations* (New York: Norton, 1994), ch. 9.
24. How intentional or fortuitous is, of course, the key question. Silicon Valley was hardly the product of chance; rather, it was the result of intentional mobilization of resources by the state in its pursuit of national security. The difficulty of maintaining such a development pole is illustrated by the relative collapse of the high tech center on Route 128 around Boston. Some of the difficulties facing policymakers who might like to repeat such mobilization are discussed in Crawford, "Hawks, Doves."
25. Michael H. Shuman: "Dateline Main Street: Courts v. Local Foreign Policies," *Foreign Policy* 86 (Spring 1992):158–77, and *Towards a Global Village: International Community Development Initiatives* (London and Boulder: Pluto Press, 1994).
26. Louis Trager, "All's Fair in Selling Growth to Cities," *San Francisco Examiner,* 22 January 1995, p. C-1.
27. See Derluguian in this volume.

28. The Organization of African Unity made this a central principle. The Helsinki Accords of 1975 ratified the post-World War II borders in Europe. Very few secessionist movements succeeded in creating new states.
29. See Bob Davis, "Global Paradox: Growth of Trade Binds Nations, but it also Can Spur Separatism," *Wall Street Journal*, 20 June 1994 (Western ed.), p. A1; Frank Viviano, "World's Wannabee Nations Sound Off," *San Francisco Chronicle,* 31 January 1995, p. A1.
30. For a discussion of the process of "globalization," see, for example, Sakamoto, ed., and Gordon.
31. Abdi I. Samatar, "Neo-Liberal Strategy and Ethnic Conflict in Africa"; paper prepared for the SSRC Joint Center for African Studies Workshop on Reconfiguring State and Society: Social and Political Consequences of Liberalization in Comparative Perspective, University of California, Berkeley, 22–24 April 1993.
32. This point is discussed to some degree in Susanne Hoeber Rudolph and James Piscatori, eds., *Transnational Religion, the State and Global Civil Society* (Boulder: Westview Press, forthcoming).
33. Sassen.
34. The notion of actor choice in a structured context is discussed in Norman Long and Ann Long, eds., *Battlefields of Knowledge: The Interlocking of Theory and Practice in Social Research and Development* (London: Routledge, 1992).
35. See, for example, the brief discussion in Beverly A. Brown, *In Timber Country: Working People's Stories of Environmental Conflict and Urban Flight* (Philadelphia: Temple University Press, 1995), pp. 33–35.
36. G. Ichheiser, "Misunderstandings in Human Relations: A Study in False Social Perception," *American Journal of Sociology* 60 (1949 suppl.): 60; cited in Robert M. Farr, "Self/Other Relations and the Social Nature of Reality," in *Changing Conceptions of Conspiracy,* ed. Carl F. Graumann and Serge Moscovici (New York: Springer Verlag, 1987), p. 204.
37. Dieter Groh, "The Temptation of Conspiracy Theory, or: Why Do Bad Things Happen to Good People," in Graumann and Moscovici, eds., p. 19.
38. Much of the remainder of this paper is drawn from Ronnie D. Lipschutz and Beverly Crawford, "Growing Together or Coming Apart? Economic Integration, Ethnic Conflict and Global Security"; manuscript in progress.
39. See, for example, James B. Rule, "Tribalism and the State," *Dissent,* Fall 1992, p. 519.
40. Bernard Lewis, "Muslims, Christians, and Jews: The Dream of Coexistence," *New York Review of Books,* 26 March 1992, p. 48.
41. Benedict Anderson, *Imagined Communities: Reflections on the Origins and Spread of Nationalism,* 2d ed. (London: Verso, 1991).
42. Ernest Gellner, *Nations and Nationalism* (Ithaca: Cornell University Press, 1983).

43. See the essays in Uri Ra'anan, Maria Mesner, Keith Armes, and Kate Martin, eds., *State and Nation in Multi-Ethnic Societies: The Breakup of Multinational States* (Manchester: Manchester University Press, 1991).
44. In making these statements, I differentiate my position from those of such observers as William E. Connolly (*Identity\Difference: Democratic Negotiations of Political Paradox* [Ithaca: Cornell University Press, 1991]), who pair the two.
45. Geoff Hodgson, "Rationality and the Influence of Institutions," in *Real-Life Economics—Understanding Wealth Creation,* ed. Paul Ekins and Manfred Max-Neff (London: Routledge, 1992), pp. 40–48.
46. There were of course conspicuous exceptions, as in the wholesale conversion of Bosnian landowners to Islam during Turkish rule.
47. The distinction between constitution and distribution within and between social groups is developed below.
48. See Uri Ra'anan, "Nation and State: Order out of Chaos," in Ra'anan et al., eds., pp. 3–32; Walker Connor, "Illusions of Homogeneity," in Walker Connor, *Ethnonationalism: The Quest for Understanding* (Princeton: Princeton University Press, 1994), pp. 118–43.
49. Bell-Fialkoff and Markovits in this volume, citing R. D. Grillo, *"Nation" and "State" in Europe: Anthropological Perspective* (London: Academic Press, 1980), p. 7.
50. To make this point a little more clearly, the U.S.-Mexico border, and its differentiation between citizens of the United States and Mexico, grows out of state system logic. The Anglo-Latino identity complex of the American Southwest grows out of an historical and economic logic. The two are clearly linked but are not the same.
51. Indeed the process of state-building is akin to the "enclosure" of identity.
52. Gellner; E. J. Hobsbawm, *Nations and Nationalism since 1780: Programme, Myth, Reality,* 2d ed. (Cambridge: Cambridge University Press, 1992).
53. See, for example, the discussion of the way one particular language dialect became literary Serbo-Croatian in the nineteenth century in Aleksa Djilas, *The Contested Country: Yugoslav Unity and Communist Revolution, 1919–1953* (Cambridge, Mass.: Harvard University Press, 1991), pp. 3, 24.
54. Again, truly autonomous societies have not existed for thousands of years; the key to social stability lies in the extent to which societies are "penetrated" by others. Empires tended to be more insular and "multilayered," so that a more or less standardized social contract was imposed on local societies and adapted to local conditions. See Derluguian in this volume.
55. Gerschenkron. For a more recent discussion of this process, see Crawford, "Hawks, Doves."
56. Derluguian, "Social Cohesion."
57.

Richard Rosecrance, *The Rise of the Trading State: Commerce and Conquest in the Modern World* (New York: Basic Books, 1985).

58. "Stability" is obviously a tenuous concept. What appears to the outside or historical observer to be stable is usually quite dynamic. See, for example, the semifictional account of Višegrad, in Bosnia, in Ivo Andrić, *The Bridge on the Drina,* trans. L. F. Edwards (Chicago: University of Chicago Press, 1977).
59. Leading to the famous dictum: "We pretend to work, they pretend to pay us."
60. These are the "conjunctural" time scales of Braudel, 50–100 years.
61. James O'Connor, *The Fiscal Crisis of the State* (New York: St. Martin's, 1973).
62. See Samatar.
63. The basis for this division is discussed in detail in Branka Magaš, *The Destruction of Yugoslavia: Tracking the Break-Up 1980–92* (London: Verso, 1993); see also Beverly Crawford's chapter on Yugoslavia in this volume and Susan Woodward, *Balkan Tragedy: Chaos and Dissolution after the Cold War* (Washington, D.C.: Brookings Institution, 1995).
64. Todorova in this volume.
65. Political entrepreneurs resemble their economic counterparts in that they seek to maximize their individual interests and in doing so, have an effect on aggregate interests. Political entrepreneurs seek to maximize political power rather than wealth. Like their economic counterparts, they engage in risk-taking behavior to maximize their returns. For additional comments on political entrepreneurs, see below and David Laitin, "Hegemony and Religious Conflict: British Imperial Control and Political Cleavages in Yorubaland," in *Bringing the State Back In,* ed. Peter B. Evans, Dietrich Rueschemeyer, and Theda Skocpol, pp. 285–316 (New York: Cambridge University Press, 1985); Paul R. Brass, "Ethnicity and Nationality Formation," *Ethnicity* 3, 3 (September 1976): 225–39.
66. Rene Lemarchand, *Burundi: Ethnocide as Discourse and Practice* (Cambridge: Cambridge University Press, 1994), p. 77; emphasis added.
67. Laitin, p. 302.
68. Roeder in this volume.
69. Norman Long, "From Paradigm Lost to Paradigm Regained? The Case for an Actor-Oriented Sociology of Development," in Long and Long, eds., pp. 23–24.
70. As Laitin notes, the political entrepreneur is in this way quite like the economic entrepreneur: both are able to see and seize opportunities as they develop.
71. Franz Schurmann, *The Logic of World Power* (New York: Pantheon, 1974), p. 35.
72.

"The Orwellian State of Sudan," *The Economist*, 24 June 1995, pp. 21–22, 24; Dale F. Eickelman, "Trans-State Islam and Security," in Rudolph and Piscatori, eds.