

Liberalism in International Relations IV

Liberal Economies and Globalisation

Closely related to the arguments about the spread of ideas are those about material well being. Wealth presents some contradictions as it provides the wherewithal for military action. Yet many commentators see wealth as a path both to democracy and civilised behaviour. As states become wealthier, they are more satisfied and less attracted by the risks of military adventure. Where the wealthy state did use its military strength, it was for good purposes. Power, democracy and benevolence have seemingly merged.

Many argue that increased wealth is being generated through "liberal economics". They claim that, just as liberal democracy was the end-state of political development, only capitalist culture, market forces and competition could generate wealth... "No other path towards full economic modernity has proven to be viable."

[Francis Fukuyama: The End of History and the Last Man]

The interrelationship between political choice and the free market is not immediately apparent, but Fukuyama argues that the "desire for recognition, then, can provide the missing link between liberal economics and liberal politics..." In his formulation, economic growth plus recognition lead to liberal democracy. At the same time irrational expressions of recognition, such as imperialism, are eliminated.

A third variant of this argument focusses on the links generated between nations by increasing trade and economic interaction. According to this thesis, nations enjoy the benefits of close economic contacts, and hence are reluctant to risk them. Increasingly they become used to working together. And finally, some of the close contact and cooperation in the economic sphere spills over in the cultural sphere.