

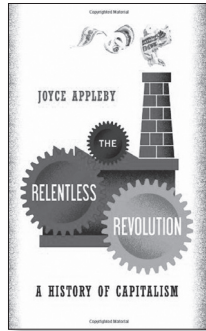
how may propositions be falsified? Any individual is free to discard the hypothesising approach but what is gained? What one gets instead is the assertion implicit, occasionally explicit, in general history that everything influences everything else. So it may do, but analytically speaking this does not advance us far.

Capitalism, on Appleby's definition, is the employment of individually-owned capital to produce more goods—and more money. She insists that the practice cannot be understood without reference to the early modern alteration of social norms to validate it. Social norms may certainly be important in determining choices and prompting motivations, but where do the norms come from and are they stable?

Appleby does attend to the question of origins, stating that the old paternalism was breached in the 1620s. Thereafter, the didactic literature of seventeenth-century England, deriving from the religious press, acclimatised people to capitalist norms. We may agree this was so, yet it remains puzzling how the mass of the population, whose initiatives were central to rising output, were exposed to the teachings of pamphleteers and why they responded so readily.

In Appleby's view, the rise of capitalist production in England came first and foremost through agricultural innovation. Newly adequate supplies of grain were able to banish famine throughout the kingdom because the market became unified. These features, she urges, were the core of

capitalism's success in the first industrial nation; they are at the heart of her model. Yet, despite claiming that the consequences of the agricultural revolution made this the most profound of all revolutions, and lamenting that it is slighted because farming is less glamorous than foreign trade or mechanised industry, the model is not fully digested. It is declared, for example, that meadows were floated (recurrently irrigated) to gain a head start on spring planting. They were not; the purpose was to advance the growth of grass, not cereals. Nor is the crucial unification of the market explored.



While it is a fair point that mainstream economics still draws its skirts rather tightly around its knobbly knees, the alternative of a soft conception of capitalism and airy inclusion of social norms is not persuasive. It throws the first-born of economic analysis out with the bathwater currently swirling around in the sub-discipline of financial economics. Earlier and non-Western episodes of productive growth, such as that in Song China, cannot be incorporated if the world story is restricted to beginnings in seventeenth-century England. The English episode was vital, but impulses which it is reasonable to call capitalist were not confined to the West. A desire to improve one's lot is widely shared. Rather than deny this, we would learn something by investigating what suppressed it for so long.

**Reviewed by Eric Jones**

*The New Vichy Syndrome—Why European Intellectuals Surrender to Barbarism*

**By Theodore Dalrymple**

Encounter Books,

New York/London, 2010

US\$23.95, 163 pages

ISBN 9781594033728

It's no secret that Europe has big problems. The Greek budget crisis was only the latest in a long chain of events revealing how terminal the European political, social and economic model is.

Well before Athens triggered the Euro crisis, there was no shortage of warning signs that something was fundamentally amiss. In the face of persistently high levels of unemployment in Germany, regular outbreaks of violence in the *banlieues* of Paris, or the rapid ageing of Italy's population, only the incorrigible optimists still believe that Europe would dominate the twenty-first century, as Jeremy Rifkin argued less than a decade ago.

A number of books dealing with different aspects of the phenomenon have appeared in the last five years, of which these three are the best: Italian economists Alberto Alesina and Francesco Giavazzi's *The Future of Europe*, which mercilessly exposes the weaknesses of European economy; US historian Walter Laqueur's melancholic *The Last Days of Europe*, which details the disappearance of European society as we know it; and the *Financial Times* columnist Christopher Caldwell's *Reflections on the Revolution in Europe—Immigration, Islam, and the West*, which analyses the Islamisation of the European Union (EU).

Now Theodore Dalrymple, the cultural pessimist *par excellence* of our times, has added his own observations. *The New Vichy Syndrome* bears the endorsements of Caldwell as well as friendly words from Andrew Roberts, Claire Belinski, and Bruce S. Thornton, all of whom have made distinguished contributions to the burgeoning Euro-decline literature.

With such impressive support from some of the best experts on European affairs, the reader looks forward to an intellectual feast. Unfortunately, the book only partially lives up to expectations.

The main problem with Dalrymple's book is that it does not read like one but a number of loosely connected essays thrown in-between two covers. There is nothing necessarily wrong with the content of each essay, except that a central thread is missing to guide readers from one chapter to the next. Indicative of this flaw is that the book's title is not illuminated by the material it contains.

What Dalrymple does is jump helter skelter between different subjects: from demographic change and Muslim immigration to the attack on science; from the EU bureaucracy to German history and on to the brutalist architecture of Le Corbusier, to just name a few of the topics covered. Each is treated in a mostly convincing and usually entertaining manner. But it comes off as a stream of consciousness rather than a comprehensive analysis. The bizarre choice of chapter headings completes the

effect. Seven consecutive out of a total 13 chapters are titled 'Why are we like this?', only differentiated by the Roman numerals attached to them.

Outside the lack of structure and clear line of argument, substantial objections can be raised against Dalrymple's assessment of Europe's problems.

The EU is rightly singled out as the root cause of Europe's predicament. Eurosceptics will undoubtedly agree. Dalrymple argues that the driving forces behind the EU's establishment was the French desire to retain the pretence of global power and the German desire to shed its nationalist baggage. This might be so, but it does not explain why other European nations were eager to join this alleged Franco-German self-help group.

A more powerful explanation would regard the EU (then EEC) as part of the West's response to the Soviet threat in the Cold War. In the same way that NATO mirrored the Warsaw Pact, the EEC mirrored the Council for Mutual Economic Assistance (COMECON), an economic organisation of communist nations in Eastern Europe comparable to the EEC. The EU began its life as part of the West's bulwark against communism. Only later did it develop into the bureaucratic über-state and pension fund for superannuated politicians, which Dalrymple so eloquently describes.

Perhaps the most curious thing about Dalrymple's book is his boundless gloom about Europe's

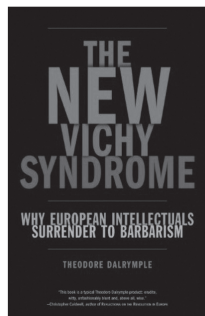
future while downplaying the major threats to the continent. Most demographers agree that Europe's shrinking and ageing population will soon doom its welfare states. Not so Dalrymple: 'The ageing of the population, however, is not necessarily as disastrous as is sometimes suggested. Societies and mankind in general are very adaptable; new situations call forth new solutions. It is mistaken to think of a person as necessarily a drain on society merely because he has reached a certain age.'

At some stage in the first half of this century, the median age in most EU countries will reach around 50 years. It is hard to view this unprecedented situation as a creative opportunity when one thinks of the combined effect on economic growth, welfare spending, and tax revenue.

Dalrymple also rejects the view that sees the rise of Islam as an existential threat. Most Muslims, he asserts, are, or will soon become, more secular than commonly feared. Yet it is hard to reconcile this with opinion polls that show the very opposite, i.e. growing sympathy among European Muslims for Muslim values and institutions like Sharia law. Nor does it tally with growing segregation in many European cities.

Hence, Dalrymple's book is strangely self-contradictory. He mourns the cultural, social, political and economic decline of Europe while questioning the severity of the two fundamental causes of that decline.

*The New Vichy Syndrome* is still worth reading. Only a brilliant thinker like Dalrymple



could manage to write a seriously flawed book that still offers scores of profound insights to provoke further thought and reflection. That said, if you are looking for primer on what is really wrong with Europe, try the books by Laqueur, Caldwell, or Alesina and Giavazzi instead.

**Reviewed by Oliver Marc Hartwich**

*When China Rules the World: The Rise of the Middle Kingdom and the End of the Western World*

**By Martin Jacques**

Allen Lane, 2009

£13.91, 576 pages

ISBN 9780713992540

The hope that a rising China will fit seamlessly into the existing US-led regional and global order is fading. If the emergence of a compliant and benign China is looking less likely, what should we expect instead?

A columnist at *The Guardian* and *New Statesman*, Martin Jacques, takes a stab at it. His book *When China Rules the World* makes two basic arguments. First, China is 'destined to become ... the major power in the world.' And second, 'the challenge posed by China is far more likely to be cultural' rather than political or military.

That that China is destined to rule the world is more a working assumption than his main

concern. Yet, Jacques presents few arguments to refute the thesis that China cannot continue its rise in its present form. In particular, the author says nothing about how the Middle Kingdom will overcome its debilitating domestic problems—such as corruption, inequality, social unrest, terrible demographics, and the lack of effective institutions such as rule of law and property rights—or sustain its continued reliance on a state-led model of development. His book is also noticeably short on economic arguments, for example, whether China can continue to rise based on inefficiently pumping money into state-owned enterprises or on the back of the American and European consumer fast running out of spending money. Jacques will likely respond that he is more interested in speculating what the world might look like were China to become dominant. But as I will argue shortly, the failure to establish *how* China will rule the world is a serious shortcoming in the broader argument about the imminent arrival of a Chinese-defined order.

The second argument that a dominant China will disrupt and change the regional and global order is the more interesting and important one as far as the author is concerned. But Jacques seems confused about what *kind* of China is destined to rule the world. For example, in one section, he argues that 'it seems reasonable to expect serious moves towards democratization within a [two decade long] timeframe' and

that in the very long-run [which is unspecified], it seems 'unlikely that China will be able to resist the process of democratization.' In other sections, he argues that 'it is in conceivable that Chinese politics will come to resemble those of the West' and that the deep-rooted 'Confucian culture' means that the Middle Kingdom will always have strong 'acceptance of unbounded government.'

These contradictions present serious problems for the author's argument. After all, the whole point of Jacques' book is to explore what a world would look like with an 'authoritarian' China at its helm. The author is arguing against the rose-coloured glasses view that as China gets richer, it will surely democratise and emerge as the newest member of the liberal-democratic community. Fair enough. But if he cannot convince himself that China's future is solidly authoritarian, he is less likely to convince the reader that there is nothing to fear about a dominant China.

Whether China becomes democratic or remains authoritarian is not as important to Jacques as the intrinsic *character* of Chinese civilisation and society. For example, he argues that 'Many of the fundamental truths of Chinese politics apply as much to the Communist period as to the earlier dynasties.' What are these fundamental continuities? The author nominates China's belief in the inherent superiority of its own civilisation, a belief in a racial hierarchy especially in Asia, and a preference for a collective-based order over individual rights. These are the characteristics that the world ought to fear.

