

From Vienna to the WTO

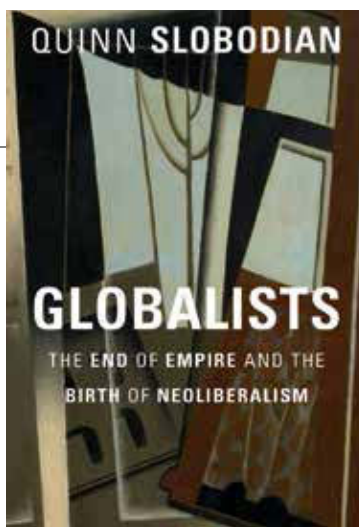
NEOLIBERALISM IS NOW the go-to moniker for everything that went wrong in the late 20th century and the new millennium. Often a term of abuse, it is a synonym for a crassly materialistic and superficial belief in the inherent superiority of markets. Its standard bearers were British Prime Minister Margaret Thatcher and US President Ronald Reagan.

Today many prominent figures, such as Charles Moore (Thatcher's official biographer), Oliver Letwin (a British Conservative intellectual), and the writer David Frum cry mea culpa and complain that greater home ownership has produced more debt than security and that flexible labor markets are a threat rather than an opportunity.

Slobodian aims in his latest book to trace an intellectual history from the Habsburg Empire and the glittering intellectual culture of Vienna to the World Trade Organization. He argues that the eventually dominant vision of economic order cared less about liberty and laissez faire and the legacy of Adam Smith than about protection of property against radical political demands that followed from both socialism and nationalism.

The book is less interested in the financial infrastructure of globalization than in the makings of today's trade regime. Some delightful insights show how many modern views of globalization—threatened by tariff walls, vulnerable to a spiral of declining trade—originated in Vienna. Clive Morrison-Bell, at the Vienna Chamber of Commerce, built a physical model of Europe with wooden tariff walls; Oskar Morgenstern, at the Vienna Institute for Business Cycle Research, graphically depicted the shrinking world trade of the Great Depression.

Slobodian places his genealogy above that of the Virginia (public choice) and Chicago (monetarism and deregulation) schools. The key players in the new story—Friedrich Hayek and Wilhelm Röpkes—were reacting to three shocks: World War I, the Great Depression, and decolonization. In response, these intellectual pioneers turned to international institutions to provide a regime that guaranteed property rights and international



Quinn Slobodian

Globalists: The End of Empire and the Birth of Neoliberalism

Harvard University Press,
Cambridge, MA, 2018, 381 pp., \$35

division of labor based on stability. The original candidate for the guarantor of a supranational non-territorial was the International Chamber of Commerce, then subsequently the League of Nations.

Slobodian's heroes of neoliberalism viewed this order as a necessary balancing of the political business of democratization. Without limits, democracy might make too many (unfulfillable) promises. Domestic constitutional order could be a constraint, but that order would be more secure if anchored in an international legal framework.

Slobodian has produced a deep and interesting book, though perhaps not deep enough. He proposes that his heroes are defending property just to protect the status quo. But that interpretation is not convincing: the interwar fathers of modern neoliberalism were responding to a 1930s world of arbitrary confiscation of property—often based on national, racial, or religious identity—that was an intrinsic part of marginalization, dehumanization, and ultimately destruction. Their analysis cannot be used to object to taxation, even high and progressive taxation, as long as it is equally and impartially applied. The defense of property was a part of, and emanated from, deeper concern with the protection of human dignity. **FD**

HAROLD JAMES, historian, Princeton University and IMF

Special Occasion Coins

Commemorative material highlights an annual global gathering

Sascha Djumena

COMMEMORATIVE COINS to mark special occasions or events have been around for centuries. In ancient Rome, commemorative coins were minted to celebrate victorious military campaigns. Today, such coins are issued to celebrate international cooperation and cultural diversity.

Since the creation of the International Monetary Fund and the World Bank Group in 1944, the leadership and member countries of both institutions have met every autumn to address critical issues facing the global economy. For the inaugural meeting of the governing body, held in the US city of Savannah, Georgia, in March 1946, a special brass medal was designed depicting US

President Franklin Delano Roosevelt on one side and the outline of the state of Georgia on the other. The commemorative medal was placed at each delegate's dinner plate.

These Annual Meetings usually take place in Washington, DC, but every third

year leaders congregate abroad in one of the institutions' 189 member countries. To commemorate and promote the global gathering, host countries take advantage of the limelight by issuing coins, stamps, currency notes, special medals, and other memorabilia, often drawing attention to their local culture, economic progress, and technological innovation.

Symbolically, each set of commemorative coins represents the progress and wonder of the host nation.

Coins and banknotes are particularly fitting given that the focus of the convening institutions includes safeguarding the global financial system. In most cases, commemorative coins can't be used to go shopping, but they do hold special value and are sought after by collectors. For example, a 1,500 piso gold coin—the first tribute of its kind—issued by the Philippines when it hosted the 1976 Annual Meetings can fetch more than \$1,500 at auction. Its current face value is \$28. Thailand, Spain, the Czech Republic, the United Arab Emirates, Singapore, Turkey, and Japan all followed suit by issuing their own unique coins.

Thailand went a step further in 1991, issuing a special commemorative folder containing banknotes of 10, 20, 50, 100, and 500 baht that were overprinted with “1991 World Bank Group/IMF Annual Meetings” in both Thai and English at the bottom and “Specimen” diagonally across each note.

Symbolically, each set of commemorative coins represents the progress and wonder of the host nation and is produced using the latest minting technology. In Dubai in 2003, the United Arab Emirates became the first country to use color in an Annual Meetings coin design. In 2006, when Singapore played host, coins were



PHOTO: IMF



issued featuring a bustling skyline and a map of the world, conveying the country's position as an international financial hub. In 2012, Japan used special iridescent technology and microfabrication to give a rainbow-like shine to its commemorative coin depicting Mt. Fuji.

In 2015, Peru designed a beautiful silver medal instead of a coin, because Peruvian law requires one face of all coins, including commemorative coins, to display the national coat of arms—limiting a historic design to one side only. Choosing the medal format allowed for more space to depict the Cathedral of Lima, centerpiece of a UNESCO World Heritage Site, on one side and the new Annual Meetings donut-shaped logo of flags on the other.

This year, the Annual Meetings are being held in Bali, and the host country of Indonesia will issue commemorative stamps. If you are attending the meetings, you may want to get your hands on more than one: they could become quite valuable someday. [FD](#)

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