

A World Safe for Capitalism: Dollar Diplomacy and America's Rise to Global Power. By *Cyrus Veesper*. New York: Columbia University Press, 2002. xiv + 247 pp. Index, notes, bibliography, photographs. Cloth, \$27.50. ISBN 0-231-12586-0.

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In 1893 a Wall Street firm named the San Domingo Improvement Company (SDIC) purchased the national debt of the Dominican Republic. Over the next two decades “the Improvement,” as Dominicans came to know it, helped dictator Ulises Hereaux to finance his machine of patronage and repression, pushing the republic into a permanent crisis of indebtedness. At the same time, the constant activity of the Improvement, which sought to secure payment for itself at the expense of European creditors (whom it ostensibly represented), threatened to spark an international crisis. The complicated mess created by this single firm eventually spurred politicians in Washington to take over Dominican finances and declare the United States the unilateral arbiter of “misbehavior” by states in the Americas. The Improvement, historian Cyrus Veesper argues in his excellent new analysis, did little to improve the Dominican Republic but much to shape and reshape the face of U.S. imperialism in the Western Hemisphere.

To say that Professor Veesper undertakes a thorough reexamination of the SDIC would be mistakenly to imply that others have done similarly serious and painstaking research on the topic. In fact, by exhausting U.S., British, and Dominican archives, Veesper has written the first comprehensive history of this crucial period in Dominican and U.S. history, revising long-held assumptions that had never before been tested.

Veesper's first accomplishment is to chip away at the notion, proposed by J. A. Hobson and V. I. Lenin and often repeated in Dominican history, that the politics of imperial expansion in the 1890s served the interests of metropolitan financial capitalists looking for new arenas of investment. The strange history of the Improvement, Veesper shows, has little to do with excess North American capital. It demonstrates, rather, the calculated leveraging, by a few experienced chiselers, of political influence in Washington and Santo Domingo for the purposes of profit. This was Gilded Age imperialism—an export of crony capitalism, not excess capital.

Veeser is not content, however, simply to present the Improvement as an icon of an early, diffuse, and corrupt era of U.S. expansion in the Caribbean. The Improvement and its shady dealings, he argues, were a crucial inspiration for the overhaul of imperial strategy by Progressive politicians at the beginning of the twentieth century. In particular, the crisis in Santo Domingo provoked the Roosevelt Corollary to the Monroe Doctrine, which, contrary to the usual interpretation given in scholarly treatments, was an attempt to cleanse foreign policy of the stain of private interest. After the death of Ulises Hereaux, the Improvement used its influence in Washington to press for repayment from fragile Dominican governments, leading to political turmoil in Santo Domingo and consternation among European bondholders. In response, Theodore Roosevelt's administration articulated a reform of the international order, whereby the imperial state would become a neutral arbiter, superior to the private interests that had formerly been its principal agents. Washington would use force to impose a legalistic system of business dealings, eliminating the threat of military intervention by European powers on behalf of their aggrieved investors. In fashioning this "world safe for capitalism," Roosevelt also assumed the right to discipline and tutor unruly Latin American states in the ways of civilization. The United States took control of Dominican finances in 1904 and increasingly lent its armed forces to the project of state building and social control in the Dominican Republic.

By presenting this radical discontinuity in U.S. imperial strategy, Veeser disrupts the simplistic notion of foreign policy as window dressing for the gradually accumulating class interests of finance capitalists. The architects of dollar diplomacy were, to the contrary, repulsed by the ways that private interests had corrupted international affairs. His contribution is welcome but leaves one wishing for a sharper focus on the Progressives' claims to have broken with the past in favor of rational and fair-minded practice. Not only were the tutelary and civilizing projects that Roosevelt proposed in places like the Dominican Republic underwritten by a racist view of Anglo-American superiority. But, like free trade, modernization, and other ostensibly neutral ideologies exported by the great powers, the notion of capitalist fair play also both created the terms for preserving international inequalities and, one suspects, continued to coexist on friendly terms with the operation of well-connected individual interests. The relation

between universal ideology and particular interest in shaping imperialism are not as transparent as the old Leninist critics assumed, but neither were they neatly and rationally resolved by the advent of the Roosevelt Corollary. Armed with Veese's revision, historians should resume their critique of dollar diplomacy on higher ground. This challenge has particular salience, given the seeming similarities between contemporary U.S. practices and *both* Gilded Age patterns of ties between private interests and foreign policy *and* Progressive Era calls for legalism, fair play, and "civilized" conduct on matters of trade, borrowing, and debt.

One final pleasure emerges from reading Veese's account as he struggles to understand what, if any, importance Dominicans had in shaping this history, given the radical asymmetry of power between Washington and Santo Domingo. Veese patiently tracks and captures the moments in which Dominican actors (in this case almost always presidents) found a foothold on the steep slope of international inequality, allowing them to use the invasive presence of the United States to pursue their own agendas. The San Domingo Improvement Company was, at times, a patsy in the hands of the astute President Hereaux. And the Progressives' commitment to enforcing "civilized" behavior on the hemisphere allowed Dominican governments periodically to borrow the U.S. military when their own monopoly on force in Dominican territory was threatened.

These moments, and the polished historical craftsmanship with which Veese digests sources such as the correspondence of Hereaux and the proceedings of an early-twentieth-century arbitration case between the United States and the Dominican Republic, make the book easy to recommend. Readers interested in the origins of the United States customs receivership in the Dominican Republic, the Roosevelt Corollary to the Monroe Doctrine, and later institutions designed to keep the world safe for capitalism, such as the World Bank and International Monetary Fund, need have no doubt about where to turn.

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