

*The United States and Fascist Italy: The Rise of American Finance in Europe.*

By Gian Giacomo Migone.

With a preface and translated by Molly Tambor.

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405 pages.

Gian Giacomo Migone has written a powerful argument for the continuities of U.S. economic policy from the post–World War I period to the post–World War II period, a primary goal of which was the stabilization of Europe as an outlet for U.S. capital and manufactured goods. In this project, Mussolini was a key component. Instead of viewing him as the destroyer of democracy in Italy, many Americans saw him as the guarantor of stability and a willing partner in U.S. capitalist expansion in the 1920s. This commitment required peace, which Mussolini dutifully offered, contrary to all his bellicose rhetoric, because he needed U.S. investment to stabilize his fledgling dictatorship. It was only the Depression and the contraction of U.S. economic involvement in Europe that broke this close relationship and led Italy down the path of imperialism and war.

Migone's argument is premised on the fact that after World War I the United States needed to keep expanding its production and needed outlets for its excess capital. For this to happen, Europe had to be stabilized, debts owed to the United States had to be settled, and any nationalist agendas, specifically French desires to keep Germany weak, had to be eliminated. Europe, and specifically Italy, went along with this U.S. financial, and indirectly political, leadership as they needed the funds to strengthen their own economies, solidify their governments, and hold back the spread of communism. Thus, Migone makes clear that from the very beginning the Americans did not differentiate with whom they dealt—either democratic Britain and France or authoritarian Italy—as long as U.S. capital could be invested. To U.S. investors, Mussolini offered order in a country whose citizens were viewed, not without a little condescension and Anglo-Saxon racism, as incapable of ruling themselves democratically and who needed a dictator to lead them. The U.S. press was consequently full of stories, both spontaneous and encouraged by Mussolini and his supporters, of Il Duce as savior.

The events of 1924 were critical in bringing Italy and the United States together. In that year, Mussolini was fighting for his political life during the Matteotti crisis, wherein one of his chief opponents was murdered by Fascists close to Il Duce. The result of the turmoil was the declaration of the dictatorship in January 1925 and the elimination of all domestic political opposition. It was during this period that the Dawes Plan was passed by Congress to help fund troubled European economies after the catastrophic French invasion

of Germany and the resulting economic crisis. With the stability Mussolini brought to Italy, the path was now set for a strong and mutually beneficial transatlantic relationship. Americans had the means to invest in Europe, and Mussolini could now provide a safe harbor for those funds.

Migone emphasizes that U.S. involvement in Europe in the 1920s was not at its government's initiative. Presidents were hemmed in by the isolationism of Congress. As a substitute, the big U.S. banks stepped in to advise their European clients on how to negotiate with the United States to settle their debts and thus allow for capital investments in Europe. Mussolini's bank, J. P. Morgan & Co., had close ties to the administration and could tell him exactly what to do to curry its favor. Mussolini did not challenge the legitimacy of paying off Italy's war debts; he supported the U.S. desire to rebuild the German economy and backed the Locarno Treaty, which sought to guarantee peace between Germany and France. He also chose not to challenge U.S. immigration restrictions, which targeted Italians. Migone notes that no other Italian government prior to the dictatorship could have ceded such autonomy to a foreign nation.

U.S. domestic politics worked to Mussolini's advantage. Herbert Hoover, the secretary of commerce, wanted to be president and was convinced that a favorable deal with Italy on the bankers' model (wherein Italian debt repayment would be quickly settled to facilitate immediate U.S. investment) would help him with the Italian American vote. The result was that Italy got the best possible deal with the cancellation of 80 percent of its debt and low interest rates on the rest. As Migone notes:

[The] hegemon of American capitalism—the finance sector—was not primarily interested in the direct control of European industry [as Hoover had originally sought] . . . but rather in the overall influence that could translate into a policy of pacification and stabilization that would best prepare the ground for the profitable expansion of American capitalism in its entirety. (170)

Migone devotes an entire chapter to the years that Dino Grandi was the Italian minister for foreign affairs, 1929–1932, and aptly titles it “The United States and Italy Confront the Great Depression.” Migone seeks to show how the Grandi years were both the apex of the U.S. and Italian relationship but also its end. Grandi was ingratiating to the Americans, even supporting President Hoover's suggestion of a moratorium on arms manufacture as part of broader disarmament and cost saving during the Depression. Grandi also spoke to the Americans in a language they understood, emphasizing that the path to prosperity was through capitalist expansion and the defeat of Bolshevism. And Grandi was also savvy enough to declare on his travels to the United States

that Italian Americans had to be good American citizens, in contrast to the anti-Fascist Italian exiles in the United States with their anarchist and socialist sympathies. Grandi was explicit about the goal of his foreign policy: to develop a special relationship with the United States, just as Britain had. Securing this relationship, Migone notes, was far more important than rigidly holding to any bellicose Fascist ideology.

The success of this policy—evident in the scale of U.S. investments in Italy and in U.S. support for the Fascist regime—depended on a strong U.S. engagement in Europe, with Italy as its most willing partner. But this engagement abruptly ended with the Depression, and thus the rationale for Grandi's and Mussolini's foreign policy disappeared. With U.S. retrenchment, European economies turned inward and toward rearmament and autarchy to ride out the Depression. "For its part," Migone writes, "the United States, having contributed to the consolidation of [the Fascist] regime, now had to stand by and witness the change in orientation that would lead in the space of a few years to Italy's emergence among the ranks of its enemies" (286).

Under Roosevelt, the relationship with Italy would finally end. Migone notes that, in spite of his desire for European engagement, Roosevelt faced a still isolationist Congress, and his inaction exacerbated the European situation. "[Roosevelt] was forced to subordinate any effort to renew American international engagement to the recovery of his own economy. To meet the challenge of the Depression within a capitalistic framework, it was necessary to sacrifice the existing political equilibrium as well as the ties of commercial interdependence. In so doing, world peace would also be sacrificed" (298). Yet, as this policy pushed Italy to economic nationalism and ultimately war in 1935, neither Roosevelt nor the United States in general changed their positive view of Mussolini at first. This was a direct consequence of a decade of laudatory press coverage and good relations. Roosevelt believed Mussolini could even be a bulwark against Hitler. "In so doing," Migone writes, "Americans let down their guard in the face of the new and more menacing totalitarian state that had emerged in Europe, which also slowed their reaction time to Mussolini's change in foreign policy" (305).

At the time of the Italo-Ethiopian War in 1935, however, Roosevelt was becoming more concerned with Italy. But, again, U.S. inaction eased Italy along its dangerous path. Beyond his recalcitrant Congress, another key reason Roosevelt did not push Mussolini was that he feared alienating pro-Mussolini Italian American voters before the presidential election of 1936. But what weighed the most in the end, and kept the United States a continuing ally of Italy, was what had always brought Mussolini American support: his unwavering promotion of capitalism and anticommunism. Migone bitinglly, and effectively, writes:

The politics of appeasement characterizing the European theater since the Ethiopian crisis had its roots in the preceding phase, when the first Fascist dictatorship had been able in complete legitimacy to join the assembly of capitalist governments collaborating in global financial and monetary policy under the guidance of the United States. It was not therefore an error, as further shown by the reactions to Mussolini's African undertaking, but rather the expression of a residual solidarity among those who did not want to risk a confrontation that would divide this assembly and reinforce the strength of a coalition of class adversaries under the leadership of Moscow. The Molotov-Ribbentrop Pact was the only development that finally broke this fantasy. (387)

Migone's book lays to rest the idea of U.S. isolationism in the interwar period, and it starkly reminds us of two things. First, as with U.S. policy after World War II, and in the current day, the United States will tolerate most regimes that do not challenge its political and economic interests. Second, Migone makes clear that beyond the rhetoric of political leaders, change often happens behind closed doors. The United States proclaimed its isolationism and yet was integral to the evolution of the Europeans' internal and foreign relations. Mussolini claimed to be a revolutionary nationalist who put Italian interests above all else, and he did, though he could do so only by initially subordinating his regime to a foreign power.

The Mussolini that emerges from Migone's book is a ruthlessly pragmatic politician who advanced Italian interests by whatever means available. In the 1920s he allied himself with the Americans in order to encourage their investment in his new dictatorship and solidify his control over the country. Once U.S. engagement in Europe ended, and Mussolini was secure at home, he sought to advance Italian interests abroad with his imperialistic policy of the 1930s. Despite placing much responsibility for the evolution of the regime's foreign policy on the initial support and then disengagement of the U.S. government, which is a vital contribution to the historiography, Migone's view of Mussolini's foreign policy does in fact adhere to a consensus over Il Duce's aims that had emerged in the 1980s, when his book was first published. The older debates between scholars such as Gaetano Salvemini and Denis Mack Smith, who argued that Mussolini had no coherent foreign policy goals and was an inveterate opportunist looking for simple propaganda victories, and the more revisionist historians such as Renzo De Felice and MacGregor Knox, who argued that Mussolini did have a coherent foreign policy to advance Italian interests, had by the 1980s been settled in the revisionists' favor. Migone certainly falls into this camp. His great break with the revisionists, specifically De Felice, is that, where the latter saw Mussolini paying little attention to foreign policy as he

solidified his control at home in the period 1925–1929, Migone argues, quite convincingly, that Mussolini devoted considerable energy to his foreign policy in this period—with the United States—in order to secure this control at home.

Migone's book continues to be of great value to the study of Italy and the United States in the interwar period, most especially now in this new translation. Its virtue is that it offers a clear narrative of the motives behind Italian and U.S. policies. However, in stressing the centrality of the U.S. role in Europe as one of the most important factors in Italy's evolution, Migone cannot give much consideration to the many other reasons for Mussolini's shift to an aggressive foreign policy in the 1930s. Though the loss of U.S. investment contributed to the turn to autarchy and imperialism, the Italo-Ethiopian War, the turn to Nazi Germany, involvement in the Spanish Civil War, the imposition of the racial laws in Italy, and finally Italy's involvement in World War II and its declaration of war on the United States in 1941 are rooted in issues of prestige, envy, racism, misguided nation building, shifting strategic considerations, and sheer, blind desperation. Such issues should be kept in mind, in addition to Migone's findings, when trying to make sense of the actions of Benito Mussolini over his long tenure in power.

—ERNEST IALONGO

Hostos Community College, The City University of New York

*Flavor and Soul: Italian America at Its African American Edge.*

By John Gennari.

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295 pages.

With *Flavor and Soul: Italian America at Its African American Edge*, John Gennari has written an eloquent book about Italian Americans and race that carves out new space in our increasingly polarized national debate about whiteness and racial identity. Gennari, like me, is a white scholar who is both frustrated by a reductionist discourse on white privilege that erases class differences and history (14) and appalled by the reemergence of racism and xenophobia as a force in national elections. His deeply personal and evocative portrait of spaces where black and Italian American culture and style intersect does two important things: It complicates the national discourse on whiteness, and it gives Italian Americans a means of affirming their love for their culture in ways that link