

unimportant one. Let us begin over here with Europe. Here is the European culture region. Around the North Sea is where these revolutionary movements first took place. The interesting thing is that in Europe you had a strongly developed, pre-industrial, pre-democratic set of institutions. Here you had countries in which the monarchies were well established. You had countries in which all of the ideas that characterized the pre-industrial period were firmly implanted, including the idea of national self-sufficiency. There was a strong development of nationalism. This is where nationalism was invented.

Portugal was the world's first nation state. France was the second one. Very quickly, in the period of the 18th and 19th centuries, a series of states were built up, each one of which had a particular national ideal and national tradition. Nationalism became the important idea of Europe.

Now, the industrial revolution and the democratic revolution bumped head on into strong resistance in Europe. This is a characteristic of the European region, namely, that these ideas and needs of the industrial revolution and the democratic revolution were resisted. The democratic revolution was resisted in the movements which we describe as fascism and communism, both of which originated in the European culture region. These are reactions against the ideas of democracy.

In the industrial world, industrialization and the industrial revolution require that a country must reach out to the whole world for the lowest-cost sources of industrial raw materials. It is not possible to operate the industrial society and pay high costs for raw materials simply