

After Iraq

Vulnerable imperial stasis

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I dread our being too much dreaded.

Edmund Burke

At the end of the twentieth century the American ascendancy appeared almost inexorable. Despite personal scandal and impeachment hearings, a seemingly unassailable Bill Clinton led a global neoliberalism that was methodically sweeping all other contenders aside. At home he pursued a dismantling of welfare that none of his predecessors could even have contemplated, and the domestic economy was recovering. Globally, the Kyoto environmental protocol had been signed, agreement on the International Criminal Court (ICC) seemed assured, and a breathtakingly comprehensive Multilateral Investment Agreement (MIA) was in the works. In Israel, the ‘moderate’ Ehud Barak was elected, giving hope of a renewed US-brokered settlement with the globally humiliated Palestinians. East Timor gained long-sought independence. Peace was not exactly universal – Iraq was subject to constant low-intensity bombing, Afghanistan and Sudan were attacked a year earlier, NATO planes were bombing Serb forces in Kosovo, and alienated youths were gunning down their classmates in Columbine, Colorado. There was the extraordinary anti-globalization protest in Seattle. And fear of the ‘millennium bug’. But in retrospect, the mood was upbeat and in 1999 the future looked pretty rosy for an American-led neoliberalism. Even as late as 2001, the USA drew overwhelming global sympathy when nearly three thousand people perished in the attacks on the World Trade Center and the Pentagon. German leader Gerhard Schröder and the French newspaper *Le Monde* declared in unison: ‘We are all Americans now.’

A couple of years of global boorishness can make a lot of difference. The Bush administration jettisoned Kyoto, the MIA was defeated in the face of global opposition, the ICC was rejected as a threat to US imperial prerogatives, and, with icons of American capitalism especially in its sights, a vibrant anti-globalization movement burgeoned around the world, morphing into an anti-war movement. Chaotic impasse in Afghanistan, perpetrator Osama bin Laden never brought to justice, flame-out in a relinquished Iraq, and grotesque revelations about US and British torture of Iraqis have completed the circle. The furtive handover of power to new Iraqi leaders in June 2004 was conducted at 2 a.m. Washington time with barely a dozen officials present: ‘Behind silver miles of new razor wire, high concrete barriers stronger than most medieval fortifications’, wrote the *Guardian* (29 June 2004), ‘behind sandbags, five security checks, US armoured vehicles, US armoured soldiers, special forces of various countries and private security guards, behind secrecy and a fear of killing ... an American bureaucrat handed a piece of paper to an Iraqi judge, jumped on a helicopter and left the country.’

Rushed forward by two days to dodge the prospect of violent disruption, and a total surprise even to the majority of the world's press – the few allowed to witness the note-passing were prevented from communicating its details by cellphone – the paternalistic return of Iraqi sovereignty to a new American-sponsored administration was a global fizzle. 'Full sovereignty' was ensured by total US military control as Iraq administrator L. Paul Bremer III fled back to Washington, tail tightly lodged between his legs. The sum of progress in Iraq since the March 2003 invasion might be calculated as follows: some 13,000 to 15,000 lives were lost, including nearly 1,000 US troops, the economy of Iraq was destroyed, and an international insurrection was sparked, while on the positive side one CIA client – Saddam Hussein – was replaced by another – new Iraqi Prime Minister Iyad Allawi.

The rise of the Neo-cons

It is widely argued that the new bellicosity of the United States is due to the rise of the neo-conservatives – people such as Dick Cheney (Bush's vice-president), Donald Rumsfeld (secretary of defense), Paul Wolfowitz (assistant secretary of defense) and many others, associated with the 'Project for a New American Century' (PNAC – see, *inter alia*, www.newamericancentury.org/statementofprinciples.htm). Their vision of US global power represents a continuity with an imagined past in which the United States was established as a beacon of universal good and right, its exercise of power blessed with predetermined philosophical and political justification and authority. For the Neo-cons, France is a failed eighteenth-century promise and America *is* the Enlightenment, however much a sceptical world fails to follow. The *new* American century will be like the old one except better: complete, a pure crystallization of legitimate force against recalcitrants. The mistakes of the past will be corrected, power will be unself-consciously deployed, America's imperial role as world policeman will be accepted with honour and pride rather than embarrassed half-heartedness. Global power is embraced.

Yet the Neo-con vision also thrives on a sense of discontinuity already implicit in this story: the delusions of the past, unambitious neo-liberal incrementalism and global compromise, a certain penchant for reconciling global conflicts diplomatically rather than militarily – all are eschewed in this unbridled ambition for a forceful American globalism. Might, again, makes right. The liberal internationalism of the 1990s is replaced by a much flintier nationalism; a willingness to work through international agreements, treaties, institutions and protocols is replaced by an authoritarian unilateralism.

Does this apparent discontinuity, from Clinton's slick global magnanimity to the sullen churlishness of George W. Bush – from an embracing neoliberalism to a military neoconservatism, from world economic treaties to Homeland Security – amount to a 'new imperialism'? The novelty of the moment, it has been suggested, lies precisely in the ascent of neo-conservatism, the final blossoming of a four-decade quest by both opponents of 1960s' radicalism and those whom it disillusioned. It also depends on the victory of what has been called the 'territorial' logic of power over the 'capitalist' logic of power.¹ In contradiction to the geo-economic calculations of the Clinton administration, neo-conservatives are seen to focus on the geopolitical: national borders, failed states, oil, war on Afghanistan and Iraq, the axis of evil.

These kinds of shifts certainly mark the turn of the twenty-first century and they have a clear class dimension. An old socialist saw has it that bourgeois democracy is a system whereby every four years the working class gets to vote for someone from the ruling class. The right wing in the USA may have despised Bill Clinton as an Arkansas social climber – not to the ruling class born – but his administration nonetheless rooted itself in the bluest blood of financial capital, Wall Street. More than any other administration in recent history, it gave pure expression to that branch

of capital which more than any other has had quintessentially global interests. The Clinton Treasury Department under Robert Rubin enjoyed unprecedented influence in this period and arguably represented the most powerful cabinet seat. In its geographical fluidity, finance capital takes the global as its appropriate scale of operation. A certain homology pertained, in other words, between the class basis of Clinton's power and a global neoliberalism that sought to establish, deregulate and open up financial as well as commodity markets.

By contrast, the social basis of Bush–Cheney power lay in a quite different fraction of the ruling class. The list of companies benighted for the multi-billion-dollar publicly funded privatization of Iraq – including but not restricted to Dick Cheney's Halliburton and Bechtel – or the list of companies meeting with Cheney to design a new corporate energy sector in the USA suggests the class shift that occurred with the accession of that administration. The latter's social power pivots on the nexus between energy and the military, rooted not in financial capital but in corporate capital devoted to the production of oil, energy equipment, armaments, aeronautics, military hardware and the like. Its first Treasury secretary, Paul O'Neill, came not from the financial sector but from the aluminium, mining, manufacturing and energy corporation Alcoa, but even he was treated with disdain by the Bush administration and soon forced to resign from a cabinet post, relegated, in favour of the Defense Department, to the political margins.² Meanwhile, back in Iraq, the war that was advertised ahead of time as a 'turkey-shoot' became a deadly quagmire. Only for the US companies supplying the war, flooding the country with highly-paid consultants, building a destroyed economy anew in the image of American corporatism, was this a turkey-shoot. A country is a terrible thing to waste.

There are of course many linkages between the financial and more productive/corporate wings of the capitalist class, between Wall Street and Houston or Los Angeles, or for that matter the City of London. Wall Street and London are dependent on productive corporations for the profits they invest, while corporate producers need Wall Street to float their stocks, issue credit, bankroll corporate takeovers, and so forth. Densely interlocking directorates also weave these sectors together. And yet for all their connections the pursuit of industrial profit involves different kinds of calculations from the pursuit of interest on capital lent. And so it is not surprising that administrations whose power is rooted in different factions of the capitalist class wield global power and express their global ambitions somewhat differently.

As theorists from Marx to Schumpeter, Kondratieff to Kuznets, have argued, capitalist expansion is highly cyclical. For Giovanni Arrighi, these 'systemic cycles' exhibit a clear geo-historical pattern. Cycles of economic expansion built on the production of commodities – material and immaterial – gradually morph into economies where the greatest concentration of paper profit comes from the financial sector. The reasons for this are not especially mysterious. Long cycles of investment in the productive sectors of an economy heighten competition and lead eventually to flattened profit rates. To the extent that they are successful in the global market, national economies have larger and larger quantities of capital in search of investment possibilities, and the tendency is to seek more and more profit by financial rather than productive means, by simply lending to others rather than investing it oneself. Interest on lent capital seems increasingly attractive compared with the riskiness of industrial profit. Arrighi observes this movement in prior historical periods, most recently at the end of the nineteenth century when the economies of Britain, France, the United States and elsewhere experienced an extraordinary shift of power away from industrial capital towards finance capital. The era of the robber barons was supplanted by the power of the House of Morgan, the Rothschilds and others. Such a dramatic centralization of financial power in these economies after the 1890s was momentary, however, and would not



be repeated until nearly a century later. Moreover, and more ominously in the present context, the rise of financial power generally also witnessed a consolidation of financial power in Britain vis-à-vis the rest of the world. Britain became lender to the world in this period, a rentier state, but beneath the appearance of such vast global power it soon became obvious that financial hegemony marked the zenith of this imperialism. The sun began to set on the British Empire. As one famously critical commentator put it at the time, a 'rentier state is a state of parasitic, decaying capitalism'.³ The centralization of financial capital in the United States after the 1980s – the ascendancy of Wall Street as the aortae of global capital flow – has the same hallmark, as the economy is sustained only by courtesy of unprecedented levels of foreign capital flowing into the US economy.

After 2001 it looked as though the new imperialism may have muscled Wall Street power aside in favour of Pentagon pugilism, Clintonian neoliberalism in favour of neo-conservative geopolitics. But the Bush reversion to a global geopolitical calculus and the rise of the Neo-cons always had echoes of the past more than the future. First, the blunt geography of predation practised after 2001 by the US administration, with Tony Blair in supporting role, should be seen as a sign of weakness rather than strength. A truly hegemonic power does not have to unsheath its sword, especially against smaller foes. There is no question but that the Bush administration attacked Afghanistan and Iraq because it had the power and it could. The world may never have seen such widespread and total military dominance by a single power, and the drumbeat of war against such places was all the more pathetic for their impoverishment. Even more so when it became clear that the ability to use such awesome military power effectively, to finance it, to win global and domestic support for the effort, and to keep the social economy intact, seemed beyond Washington's ability. The commitment of hundreds of billions of dollars, a quarter of a million troops, and the betting of global credibility in an ill-conceived and eventually disastrous Iraqi war drags on in military and political failure.

Second, for all the strained justifications of these adventures as part of the so-called war on terrorism, despite the failure to find any weapons of mass destruction in Iraq or to document any connection between Saddam Hussein's Iraq and al-Qaeda, the rationale for war lay elsewhere. Many on the Left have seen the Iraq invasion as a war for that country's oil, and others have raised the question of oil and gas pipelines from southern Asia across Afghanistan as part of the geopolitical calculation for these wars. Noting the class basis of the Bush–Cheney wing of the US ruling class, one can also raise the question of US control over future oil sources, especially vis-à-vis European and Chinese power in the world market. There is no question that a deep economic rationale weaves through whatever public justifications have been manufactured for war in Iraq, and that oil plays a key role. But this does not translate into a dramatically new imperialism. The military concern for oil in the Middle East is matched by demands among the same Neo-cons that businesses around the world adopt US accounting systems and obey US rules of financial exchange, and by an aggressive diplomatic effort to bend World Trade Organization rules in favour of US steelmakers, cotton growers, biotechnology firms, and intellectual and cultural propertyholders. At best, in its nakedness, this renewed imperialism might be conceived as the culmination of a long-term US gambit for global power – the ugly endgame of globalization.⁷ That ambition only repeats in modern form the global Monroe Doctrine anticipated by Woodrow Wilson in 1919 or the New World Order envisaged by Roosevelt at the end of World War II. By the same token, and over the longer term, it suggests more of a continuity between the Clinton and Bush administrations than a discontinuity. Whatever the vicious battles between these camps, neo-conservatism and neoliberalism may at best represent tactical rather than strategic differences on the US Right, two sides of the same world-historical coin. The inability of John Kerry to differentiate himself adequately from George W. Bush on Iraq suggests that a Democratic administration would hardly follow a dramatically different path.

Superimperialism?

So why is American neo-conservatism now going down in flames? The Iraq war ought to have been their crowning victory. In 2003 'Washington was at the feet of the neo-conservatives who had been plotting and propagandizing for an invasion for years', reports conservative Patrick Buchanan, but within months they were in disarray. The conservative movement split on the eve of war as a powerful group of more traditional 'paleo' conservatives denounced the adventurism of Iraq, and conservatives began calling conservatives unpatriotic, ignorant, liberal! According to one bitter participant, an ex-columnist for Rupert Murdoch's *New York Post*:

Some [Middle Eastern] hatred has been turned – should we be surprised? – into an anti-American terror. Now, as it prepares to occupy Iraq against the will of much of the Middle East while facing a rejuvenated al-Qaeda, America has fewer real friends and more ill-wishers than ever in its history. This is in considerable part the 'accomplishment' of America's neocons, the fruit of the power they have achieved in the conservative movement and the influence they wield with an inexperienced and simple president. It will take years to undo the damage they have done.⁴

The Iraq war was the Neo-cons' war, a Neo-con wet dream since 1991 when Bush Sr., who has never endorsed his son's war, failed to go for the throat. Marines sped to Baghdad; and Syria, Iran ('real men go to Tehran', said one PNACer) and North Korea (just to prove we aren't racist...) were meant to follow. But instead of their Camelot, Iraq quickly became the Neo-con Waterloo, and its dramatic and grizzly failure left them publicly indicted. The glint in their imperial eyes has been reabsorbed within the momentum of a neoliberalism that has also run out of steam and that does not have a clear sense of whether it wants to resume a global posture or fortify the national borders. After Iraq, both strategies are operative.

If we take Lenin's classic analysis of imperialism, the present situation looks rather different to that a century ago. For Lenin, imperialism resulted from the monopoly power that accrued from the competitively driven process of economic concentration endemic to capitalism. The increased power of finance capital generated a 'new capitalism' of financial monopolies which superseded the old capitalism of industrial entrepreneurs; with it came imperial ambition, indeed imperial necessity. Lenin did not think this an entirely bad process, brutal as it was, but sensed, however optimistically, that a certain socialization of power might be squeezed from the interstices of economic monopolization.

Imperialism cannot now be seen as the highest stage of capitalism, at least not as Lenin willed himself to believe, but rather as a long-term symptom. But Lenin was on to something. First, imperialism posits a close relationship between monopoly capital, especially finance capital, and the national states from which these capitals issue. That connection today is significantly loosened under the aegis of transnational capital, and the allegiance of finance capital is significantly, although not completely, unhinged from the interests of specific national states; as such its support for narrowly nationalist state policies, especially policies that may disrupt global commerce, is much more circumspect. Second, although Lenin was surely correct to reject the territorial fetishism of his contemporary, the 'renegade' Karl Kautsky, Lenin's own assumption of the national definition of finance capital may have blinded him to something that Kautsky glimpsed. Kautsky raised the possibility, contrary to Lenin's argument that inter-imperialist rivalries would lead inevitably to war (as they did in 1914), that a coalition of imperialist states may fashion a relatively stable global rule among themselves in order to pursue global economic plunder. That has not happened, but present-day US unilateralism – the bared fist of the only remaining superpower – does raise the possibility that Kautsky may have been half right, that he was insufficiently ambitious in his theorizing, and that a single state may take on the role of 'superimperialist'. Third, Lenin's analysis conceives colonialism as a special instance of imperialism. Imperialism results from the logic of capitalist expansion; its specific territorial expression in colonial aggrandizement is nowhere seen as a necessary result of that logic. Indeed he later envisages a continuous 'redivision' and reallocation of territories around the world. Here at least Lenin and the Neo-cons are on the same page: imperialism does not necessarily entail colonies in the traditional territorial sense.

'In the beginning', wrote John Locke, 'all the world was America.'⁵ If this tells us anything today, it tells us that we live in a dangerous moment. Crusading but ineffable military power, economic dominance yet unsustainable global debt, cultural hegemony stirred with global scorn – the US stands today as an impossible mix. Living out a vulnerable imperial stasis, it is a nation that, in Burke's terms, should 'dread being too much dreaded'. Yet, as the hardest edge of neo-conservatism melts back into a wayward global neoliberalism, there is no sign that within the confines of electoral politics any significant alternative is emerging. Perhaps it is time to take Locke seriously and for all the world to become America.

Notes

1. David Harvey, *The New Imperialism*, Oxford University Press, Oxford, 2003. Harvey borrows from Giovanni Arrighi, *The Long Twentieth Century*, Verso, London, 1994.
2. See Ron Suskind, *The Price of Loyalty: George W. Bush, the White House, and the Education of Paul O'Neill*, Simon & Schuster, New York, 2004.
3. V.I. Lenin, *Imperialism, the Highest Stage of Capitalism*, Foreign Languages Press, Beijing, 1975, p. 122.
4. Scott McConnell, 'Among the Neocons', *The American Conservative*, 21 April 2003; Patrick J. Buchanan, 'The Dog Days of the War Party', 7 June 2004, www.worldnetdaily.com/news/article.
5. John Locke, quoted in Louis Hartz, *The Liberal Tradition in America*, Harcourt Brace, New York, 1955, p. 61.