

The crisis of American capitalism and the war against Iraq

By David North
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1. The unprovoked and illegal invasion of Iraq by the United States is an event that will live in infamy. The political criminals in Washington who have launched this war, and the wretched scoundrels in the mass media who are reveling in the bloodbath, have covered this country in shame. Hundreds of millions of people in every part of the world are repulsed by the spectacle of a brutal and unrestrained military power pulverizing a small and defenseless country. The invasion of Iraq is an imperialist war in the classic sense of the term: a vile act of aggression that has been undertaken on behalf of the interests of the most reactionary and predatory sections of the financial and corporate oligarchy in the United States. Its overt and immediate purpose is the establishment of control over Iraq's vast oil resources and reduction of that long-oppressed country to an American colonial protectorate.

Not since the 1930s—when the fascist regimes of Hitler and Mussolini were at the zenith of their power and madness—has the world been confronted with such a display of international gangsterism as that being provided by the Bush administration. The most direct historical precedent for the violence that is being unleashed against Iraq is the invasion of Poland in 1939. The announced intention of the American military to launch a barrage of thousands of missiles and bombs on the city of Baghdad is part of a conscious strategy to terrorize the Iraqi people. What the Pentagon brass refers to as the strategy of “Shock and Awe” draws its inspiration from the infamous blitzkrieg methods employed by the Nazi Wehrmacht at the opening of World War II. This is how one historian described the Nazi destruction of Poland.

“The storm of fire and steel that struck the Poles during the first few days of September left that unhappy people stunned and shattered. At the end of ten days, the German mechanized spearheads had sliced through the Polish defenses all the way to Warsaw. Most of the inadequate Polish air force had been destroyed on the ground before it could even get into action; the fighter planes and Stuka dive bombers of the *Luftwaffe*, acting in tactical support of the advancing ground forces, disrupted Polish communications and spread terror and destruction from the skies. ‘The Germans,’ reported an American journalist, ‘are today crushing Poland like a soft-boiled egg.’”^[1]

All the justifications given by the Bush administration and its accomplices in London are based on half-truths, falsifications and outright lies. At this point, it should hardly be necessary to reply yet again to the claims that the purpose of this war is to destroy Iraq's so-called “weapons of mass destruction.” After weeks of the most intrusive inspections to which any country has ever been subjected, nothing of material significance was discovered. The latest reports of the leaders of the United

Nations' inspection team, Hans Blix and Mohamed ElBaradei, specifically refute statements made by US Secretary of State Colin Powell during his notorious UN speech on February 5, 2003. ElBaradei exposed that allegations trumpeted by the United States about Iraqi efforts to import uranium from Niger were based on forged documents provided by British Prime Minister Tony Blair's intelligence services. Other major allegations, relating to the use of aluminium tubes for nuclear purposes and the existence of mobile laboratories producing chemical-biological weapons, were also shown to be baseless. As one lie is exposed, the Bush administration concocts another. So great is its contempt for public opinion that little concern is shown for the consistency of its own arguments.

On Sunday, March 16, Vice President Richard Cheney appeared on television to declare that Iraq “has, in fact, reconstituted nuclear weapons.” Less than five minutes later, he asserted that it was “only a matter of time before he [Saddam Hussein] acquires nuclear weapons.” This flagrant contradiction between Cheney's two statements was allowed to pass without challenge by the interviewer. Nevertheless, Cheney's claim had already been refuted by Mohamed ElBaradei, who reported to the Security Council that “there is no indication of resumed nuclear activities.”

The second major justification for war against Iraq—that the Ba'athist regime of Saddam Hussein is in league with Al Qaeda terrorists—is another fabrication upon which the Bush administration has increasingly relied, as the findings of the United Nations' inspection team disproved claims of weapons of mass destruction. But, if anything, the attempt to link Hussein to Al Qaeda rests on even flimsier foundations. Absolutely no credible evidence has been provided by the administration to support this allegation.

Perhaps the most absurd and cynical of all the justifications given by the Bush administration is that the war is being undertaken to bring democracy to the Iraqi people. This is a theme that has played well with sanctimonious ignoramuses like Thomas Friedman, columnist for the *New York Times*, who wrote on March 19 that “removing Saddam Hussein and helping Iraq replace his regime with a decent, accountable government that can serve as a model in the Middle East is worth doing—not because Iraq threatens us with its weapons [which Friedman had acknowledged previously was not the case], but because we are threatened by a collection of failing Arab-Muslim states, who churn out way too many young people who feel humiliated, voiceless and left behind. We have a real interest in partnering with them for change.”

What contemptible verbiage! The murdering of thousands of Iraqis in a firestorm of bombardment is presented as a form of “partnering!”

A few brief points must be made in reply to these “War for Democracy” claims. Aside from the fact that the coming to power of the Bush administration through electoral fraud represented a major defeat for democracy in the United States, there is no reason whatsoever to believe that the American conquest of Iraq will bring its people, and those of the

region, anything but more oppression and misery. The historical role of the United States in the Middle East is a bloody record of crimes against the people of that part of the world. Every major ally of the United States in the Middle East and northern Africa—Morocco, Egypt, Saudi Arabia, Kuwait, Jordan and Turkey—has been cited by the State Department for gross abuses of human rights. Israel, that exemplar of American-supported democracy, rules over the Palestinian people on the basis of naked terror. The methods of rule employed by the Zionists in the occupied territories increasingly resemble those used by the Nazis against the Jews in Warsaw. In Iran, a quarter-century of brutal oppression under a dictator installed by the CIA, after it had orchestrated the overthrow of a popular nationalist government, led to the revolution of 1979. That power subsequently fell into the hands of right-wing Islamic fundamentalists was largely a consequence of the CIA-supervised destruction of the mass socialist-led opposition to the regime of the Shah.

The regime of Saddam Hussein is itself a by-product of the murderous efforts of the United States, throughout the 1950s, 1960s and even into the 1970s, to liquidate the socialist workers' movement that once represented a significant political force in the Middle East. The coup d'etat of February 8, 1963 that overthrew the left nationalist Qasim regime and brought the Ba'athists to power for the first time was organized with the support of the CIA. An authoritative Egyptian journalist, Mohamed Haikal, reported what he had been told by Jordan's King Hussein:

"Permit me to tell you that I know for a certainty that what happened in Iraq on 8 February had the support of American intelligence. Some of those who now rule in Baghdad do not know of this thing, but I am aware of the truth. Numerous meetings were held between the Ba'ath party and American Intelligence, the more important in Kuwait. Do you know that ... on 8 February a secret radio beamed to Iraq was supplying the men who pulled the coup with the names and addresses of the Communists there so that they could be arrested and executed." [ii]

It was in such bloody operations that Saddam Hussein first emerged as a major figure in the Ba'ath movement. Later in his career he would again find favor with the United States. It supported his bloody purge of Iraqi Communists in 1979 that played a crucial role in his consolidation of power. Hussein's decision to go to war against Iran in 1980 was encouraged by the United States, which provided him with material and logistical support for the next eight years. Much of the stockpile of biological agents that Hussein built up in the 1980s was provided by an American company, the American Type Culture Collection of Manassas, Virginia. This was done with the explicit approval of the Reagan-Bush administration. "ATCC could never have shipped these samples to Iraq without the Department of Commerce's approval for all requests," said Nancy J. Wysocki, vice president for human resources and public relations at the American Type Culture Collection, a nonprofit organization that is one of the world's leading biological supply houses. "They were sent for legitimate research purposes." [iii]

Aside from these and other important details of the long and unsavory relationship between the United States and Saddam Hussein, the attempt to invoke democratic ideals as an excuse for attacking Iraq ignores one essential democratic principle: that of national self-determination. The invasion and conquest of the country, and establishment of a military protectorate under would-be Generalissimo Tommy Franks, constitute a complete violation of Iraq's national sovereignty.

None of the arguments advanced by the Bush administration and its media apologists—quite aside from their underlying lack of credibility—provide a legal justification for war. It must be stressed,

however, that prior to its attack on Iraq the Bush administration had already proclaimed a new strategic doctrine that asserted the legitimacy of "preventive" or "pre-emptive" war—that is, Washington reserved the right to attack any country that it judged to be a potential threat to the United States. On this basis, there is not a single country in the world that might not find itself, at one point or another, under attack by the United States. In his address to the nation on March 17, Bush formally invoked this doctrine as his final justification for attacking Iraq: "We are acting now because the risk of inaction would be far greater. In one year, or five years, the power of Iraq to inflict harm to free nations would be multiplied many times over." In other words, the United States will attack Iraq while it is still defenseless, and not for actions that it has taken, but for actions that it may be able to take at some unspecified time in the future. This doctrine, which has no basis in international law, embraces war and conquest as a legitimate policy option. The invasion of Iraq is seen as the first in a series of "wars of choice" that will be initiated in pursuit of the unchallengeable world hegemony of the United States. Potential rivals are to be destroyed before they can become a major threat.

2. The unabashed glorification of war as a legitimate instrument of global imperialist *realpolitik* represents a dreadful political and moral regression. A significant body of international law was developed on the basis of the bloody experiences of the first half of the twentieth century. The carnage of World War I between 1914 and 1918, which killed tens of millions of people, led to a furious controversy over responsibility for the outbreak of hostilities—the question of "war guilt." Underlying this debate was the essential idea that the decision of a government to initiate and utilize war as a means of achieving certain policy objectives—whatever they might be—was a criminal act. While the underlying reasons for the outbreak of war in 1914 were certainly complex, there emerged a substantial body of evidence that the decisions of the German government were principally responsible. That government decided, for reasons of policy, to exploit circumstances created by the assassination of the Austrian Archduke in Sarajevo in a manner that was calculated to lead to war.

The issue of "war guilt" assumed even greater significance at the end of World War II. The undoubted responsibility of the Third Reich for the outbreak of war in 1939 led to the decision of the Allied powers, of which the United States was the most powerful representative, to place the former leaders of the German state on trial.

In framing the legal principles upon which the prosecution of Nazi leaders at Nuremberg was to be based, the American attorney Telford Taylor insisted that the purpose of the trials was not to determine all the varied causes for World War II. Rather, a more specific issue was at stake. As Taylor wrote in a memo to the lead American prosecutor, Robert Jackson: "The question of causation is important and will be discussed for many years, but it has no place in this trial, which must rather stick rigorously to the doctrine *that planning and launching an aggressive war is illegal, whatever may be the factors that caused the defendants to plan and to launch*. Contributing causes may be pleaded by the defendants before the bar of history, but not before the tribunal." [iv] [Emphasis added]

It was well understood in 1946 that the Nuremberg trial was establishing a major legal precedent. The basic purpose of the trial was to establish as a matter of international law that planning and launching an aggressive war was a criminal act. The representatives of the United States insisted on this principle, and acknowledged that the United States would be bound by it. As Jackson wrote: "If certain acts of violation of treaties are crimes, they are crimes whether the United States does them or whether Germany does them, *and we are not prepared to lay down a rule of criminal conduct against others which we would not be willing to have invoked against us.*" [v]

The "war of choice" being launched by the Bush administration is in no

legal sense fundamentally different from the decisions and actions for which the Nazi leaders were tried and hanged in October 1946. The US government knows this very well, and that is why it refuses to accept the jurisdiction of the International Criminal Court at The Hague.

3. That the United States is the instigator of this war is beyond question. The principal objective of the war is to seize control of Iraq's oil resources. All efforts to deny the central role of oil in the American drive to conquer Iraq reek of dishonesty and cynicism. No other natural resources have played such a central role in the political and economic calculations of American imperialism over the last century as oil and natural gas. Involved in this central preoccupation is not only the profits of American-owned oil conglomerates—though this is by no means an insignificant concern. American industry, the stability of America's financial-monetary structure and its dominant world position are all dependent upon unimpeded access to, and control of, the vast oil resources of the Persian Gulf and, more recently, the Caspian Basin.

The history of American foreign policy and military strategy over the last three decades can be studied, from a purely economic standpoint, as a response to the "oil shock" of 1973, when the oil embargo declared by leading Arab oil producers in response to the Arab-Israeli War of that year led to a quadrupling of petroleum prices—a development that staggered the American and world capitalist economy. The second oil shock in the aftermath of the Iranian Revolution in 1979 led to the proclamation of the Carter Doctrine, which declared unimpeded access to the Persian Gulf to be a major strategic concern of the United States. This set the stage for the massive buildup of US military forces that has proceeded without interruption for the last 23 years.

The world position of the United States as the principal imperialist power depends not only on preserving its own unimpeded access to oil, but also on its ability to determine how much of this diminishing natural resource is available to other countries—especially to present-day or potential rivals. The approach the United States has taken to this international geo-political aspect of oil as a critical resource has been profoundly affected by the most significant political event of the last quarter of the twentieth century—the dissolution of the USSR.

The collapse of the Soviet Union was interpreted by the American ruling elite as an opportunity to implement a sweeping imperialist agenda that had been impossible in the aftermath of World War II and during nearly a half-century of Cold War. Proclaiming the arrival of a "unipolar moment," the United States set out to prevent, as a principal strategic objective, the emergence of another power—whether a newly-unified Europe, Japan, or, potentially, China—that might challenge its dominant international position. Aware of the significant decline in the position of the United States in the world economy, the strategists of American imperialism came to see its overwhelming military power as the principal means by which the United States could effect a fundamental reordering of the world in its own interests. Within this context, the use of military power to establish effective control of oil producing regions and the world-wide distribution of this essential resource was transformed from a strategic idea into a concrete plan of action.

4. To recognize the centrality of oil in the geo-political calculations of the United States does not mean, however, that it provides a full and complete explanation of the war against Iraq and the general embrace of militarism. The manner in which the United States, or another capitalist country, identifies and defines its critical interests, and the means by which it seeks to secure them, is not merely the product of simple economic calculations. Rather, these calculations, however critical, are fundamentally influenced and shaped by the whole structure and internal dynamic of the given society. From this standpoint, the invasion of Iraq is the manifestation of deep and malignant social and political contradictions in the American body politic.

There is no impenetrable barrier that separates domestic and foreign

policy. They represent interdependent components of the class policy elaborated by the dominant strata of the ruling elite. While subject to the continuous pressure of global economic forces, the foreign policy pursued by the ruling elite reflects, complements and projects its essential domestic interests.

Nearly 60 years have passed since the end of World War II. An examination of this period reveals very clearly the correlation of domestic and foreign policy. These 60 years can be bisected into two eras. During the first 30 years, between 1945 and 1975, the predominant tendency in American domestic policy was that of liberal social reform. In its foreign policy, the American bourgeoisie championed a version of liberal internationalism, rooted in various multilateral institutions. To be sure, these institutions served what were perceived by the American ruling class to be its own long-term interests. Moreover, the predominant tendency toward accommodation and compromise with the Soviet Union was always opposed by powerful sections of the capitalist class; and even within the framework of compromise the American bourgeoisie bitterly defended, even to the point of war, what it perceived to be its global interests. But under conditions of the immense expansion of the post-World War II economy, American capitalism considered social liberalism at home and liberal (and anti-communist) internationalism to be the most advisable policy.

The end of this liberal era was foreshadowed in the weakening of the world economic order that had been established in 1944 (the Bretton Woods system). Its collapse in 1971 with the end of dollar-gold convertibility ushered in a period of mounting international economic instability—manifested especially in unprecedented price inflation—and a protracted decline within the United States of corporate profitability.

The deterioration in the general world economic climate provoked a fundamental change in the domestic and foreign policy of the American ruling class. Within the United States, social policies that had been oriented toward limited wealth redistribution and somewhat reduced levels of social inequality were thrown into reverse. The election of Reagan to the presidency in 1980 was followed by major reductions in tax rates for the wealthiest Americans, massive cuts in social spending to alleviate the plight of the poorest Americans, and a general assault on the trade unions.

The international component of this policy was the repudiation of "detente" with the Soviet Union and the general intensification of military pressure against national movements in the "Third World" that were seen as harmful to America's global interests.

5. The aggressive policies of American imperialism produced the desired consequences: within the United States the living standards of the working class either stagnated or declined; within the so-called "Third World" there occurred a horrifying deterioration in the conditions of hundreds of millions of people. For the ruling class and the wealthiest sections of the upper-middle class, these policies produced benefits of which they could have only dreamed. Depressed wage levels within the United States, an inexhaustible supply of low-cost labor overseas, and the availability of cheap commodity prices, produced the ideal environment for the massive stock market boom of the 1990s (which, it should be recalled, began in the aftermath of the first Gulf War of 1991).

The economic stability of American capitalism and, with it, the vast fortunes accumulated by its ruling elite in the course of the speculative boom on Wall Street became dependent, or, one might say, addicted, to depressed wage levels in the United States and the continuing supply from overseas of cheap raw materials (especially oil) and low-cost labor. The staggering enrichment of America's ruling elite during the last decade and the horrifying destitution of Latin America, Africa, Asia and the former USSR are interdependent phenomena. If a mathematician were to study the relationship between wealth accumulation in the United States and the social consequences of low commodity prices and the

super-exploitation of labor overseas, he might be able to calculate how many millions of premature poverty-induced deaths were collectively required in Africa, Asia, Eurasia and Latin America in order to harvest a new Wall Street billionaire.

The American ruling elite is hardly unaware of the relationship between its own wealth and the exploitation and plundering of the great mass of the world's population. This relationship has created the objective basis for a social constituency for imperialist barbarism among a noisy, stupid, and arrogant milieu of *nouveau riche* spawned by the speculative boom of the 1980s and 1990s. It is this corrupt social element that dominates the mass media and imparts to the airwaves and press their distinctly egotistical, self-absorbed and generally reactionary characteristics. The brazen glorification of American militarism within the mass media reflects the correspondence of this stratum's self-interest with the geo-political ambitions of American imperialism. And so, Thomas Friedman of the *New York Times*, who epitomizes the outlook of the pro-imperialist *nouveau riche*, writes without the slightest sense of embarrassment, "I have no problem with a war for oil."

The war against Iraq promises to produce a bonanza for the ruling elite. As *Stratfor*, an internet site that is closely attuned to the strategic aims of the US government, explained: "The biggest winners in the impending conflict will be the investors who are willing and able to scoop up cheap assets. Foreigners familiar with the region and its business practices, who have contracts there and an ability to tolerate risk, will find a host of investment opportunities in everything from telecommunications to manufacturing ... [F]or savvy investors who can take a risk, opportunities will be sublime."

This, in a nutshell, is the aim of "Operation Iraqi Freedom!"

6. That such words could be put down on paper testifies to the almost indescribable levels of corruption and moral degradation that pervade the ruling elite of the United States. In the final analysis, the magnitude of corruption, which has metastasized throughout bourgeois society, is a social phenomenon with deep objective roots. The increasing crisis of the capitalist system, which finds its most critical and essential expression in the protracted depression in profit levels in the basic manufacturing industries, has generated an environment that has encouraged every form of fraud. Executives, lacking any confidence in the long-term growth in the real value of the assets for which they are supposedly responsible, devote themselves entirely to their own short-term self-enrichment. Where profits cannot be created legitimately, they are concocted through the fixing of books. The science of corporate management, one of the genuine achievements of American business in the first half of the twentieth century, has degenerated into the art of fraud and defalcation.

7. The Bush administration is nothing other than the quintessential political expression of this social dung heap. Its vice president, Mr. Richard Cheney, divides his time between presiding over a secret government and working as a bag man for Halliburton, which continues to pay him more than a half million dollars a year. The secretary of the Army, Mr. Tom White, is a former high executive of Enron. Mr. Richard Perle, who has shaped administration policy on Iraq, holds secret business meetings with the arms merchant Khashoggi. As for the president himself, the elevation of this utter nobody—whose most notable characteristic is his personal sadism—will be seen by historians as the expression of the moral and intellectual degradation of the American ruling class. A class that could choose Mr. Bush as its leader is one that has, figuratively and literally, lost its head.

8. There is still, despite everything, a real world. Beneath the glitz and glitter, the crisis of American capitalism is assuming gigantic proportions. Of the 50 states in the Union, well over a majority are on the verge of bankruptcy. The essential systems of social welfare are breaking down. The school systems are a shambles. If literacy were to be defined as the ability to write a paragraph without a grammatical error, less than one

quarter of Americans would qualify as literate. The health-care system is starved of funds and services are being cut back drastically. Entire industries face collapse. Within less than a year, much of the American airline industry will no longer exist. The massive diversion of resources to fund tax cuts for the wealthiest section of the population threatens national insolvency. The levels of social inequality exceed by far that of any other major capitalist country. A staggering percentage of the nation's wealth is in the hands of the wealthiest two percent of the population. A study by Kevin Phillips established that the annual income of the richest 14,000 families is greater than the annual income of the poorest 20,000,000 families.

9. It is impossible to avoid the conclusion that the extremely militaristic evolution of American foreign policy is, to a significant extent, an attempt by the ruling elite to deal with the dangers posed by the ever-increasing levels of social tension within the United States. Militarism serves two critical functions: first, conquest and plunder can provide, at least in the short term, additional resources that can ameliorate economic problems; second, war provides a means for directing internal social pressures outward.

10. But these short-term "benefits" cannot cure the economic and social diseases that afflict America. Even if the United States achieves a swift military victory in Iraq, the social and economic crisis of America will continue to fester and intensify. None of its institutions—economic, social and political—is equipped to respond in any positive manner to the general crisis of US society.

The war itself represents a devastating failure of American democracy. A small cabal of political conspirators—working with a hidden agenda and having come to power on the basis of fraud—has taken the American people into a war that they neither understand nor want. But there exists absolutely no established political mechanism through which the opposition to the policies of the Bush administration—to the war, the attack on democratic rights, the destruction of social services, the relentless assault on the living standards of the working class—can find expression. The Democratic Party—the stinking corpse of bourgeois liberalism—is deeply discredited. Masses of working people find themselves utterly disenfranchised.

11. The twentieth century was not lived in vain. Its triumphs and tragedies have bequeathed to the working class invaluable political lessons, among which the most important is the understanding of the significance and implications of imperialist war. It is, above all, the manifestation of national and international contradictions that can find no solution within "normal" channels. Whatever the outcome of the initial stages of the conflict that has begun, American imperialism has a rendezvous with disaster. It cannot conquer the world. It cannot reimpose colonial shackles upon the masses of the Middle East. It will not find through the medium of war a viable solution to its internal maladies. Rather, the unforeseen difficulties and mounting resistance engendered by war will intensify all of the internal contradictions of American society.

Notwithstanding the opinion polls, which are no more believable than any other product of the mass media, there already exists substantial and growing opposition to the war. The demonstrations held on the eve of war were larger than anything held even at the height of the antiwar movement during the Vietnam era. Above all, the demonstrations within the United States unfolded as part of a broad international movement against war. This expressed the emergence of an entirely new quality in social consciousness: the growing awareness that the great social problems of our epoch require international rather than merely national solutions. This awareness must be developed through the building of a new mass political movement of the working class.

On the weekend of March 29-30, the *World Socialist Web Site* and the Socialist Equality Party are sponsoring a public conference. Its task will be to make a preliminary assessment of the consequences of the war, and

to develop the international and socialist program upon which the struggle against imperialism and militarism must be based.

Notes:

[i] Gordon Wright, *The Ordeal of Total War 1939-1945* (New York, 1968), p. 17.

[ii] Hanna Batatu, *The Old Social Classes and the Revolutionary Movements of Iraq* (Princeton, 1978), pp. 985-86.

[iii] *The New York Times*, March 16, 2003.

[iv] Telford Taylor, *The Anatomy of the Nuremberg Trials* (New York, 1992), pp. 51-52.

[v] *Ibid*, p. 66

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