Lecture 7: Empire & Global Economy
Empire & Global Economy

I. Hegemony & Global Power

II. The Empire of Business

III. The Empire Strikes Back

IV. The Sorrows of Empire
I. Hegemony & Global Power

A. International State System

B. Global Hegemon

C. Imperial Power
International state system

- Many states
- Unequal states
- Rivalries & national competition
- Warfare

*Fundamental conditions of all inter-national trade, investment, etc.*
Imperialism

- Projection of state power
  - Modern imperialism based on states

- Conquest & colonies
  - Direct control & settlement (of another territory)

- Economic expansion
  - Capital & corporations
  - Trade & markets

*Essential part of modern state system*
Hegemony

- First among powerful
  - Not absolute power
- Maintain order
  - Contain rivalries
  - Protect small states
- Global policing
  - To keep states in line
  - To suppress revolts
- Oversee economic expansion
  - Set international rules
  - Expand field of capitalist operation
  - Protect against workers & radicals

Another essential part of modern state system

Today: how does empire shape global economy & geography
Empire & Global Economy

I. Hegemony & Global Power
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IV. The Sorrows of Empire
II. The Empire of Business

A. End of European Hegemony
B. The American Century
C. The Communist Menace
D. Military-Industrial Complex
European world system

- Spanish hegemony, 1500-1650
  - Conquest of America
- Dutch era, 1600s
  - English Civil War
- British empire, 1700s
  - France & Netherlands defeated
- Napoleonic era, 1800-1815
  - Attempt at continental empire
Pax Britannica

- Britain rules over long 19th century
  - Napoleon defeated 1815
  - European state system take form

- Oversees growth of Atlantic economy
  - Free Trade & the British Navy
  - Sterling & Gold standards

- Britain v. colonial rivals
  - Build up as economies grow & compete
Imperialism & war

- Imperial rivalries
  - Parallel colonial empires
    - Dividing the world (Africa 1889)
  - Growth & Competition
    - Ends in World War I

- Europe & Japan go mad
  - German defeat & rise of Nazis
  - Japanese-US rivalry in Pacific
  - World War II
Europe implodes, 1914-18
Interwar quarrels

- Breakup of old empires
  - Austro-Hungarian & Ottoman
  - Many new states
- Russian Revolution
  - New Russian empire
  - Fear of revolution
- Rise of Nazi Germany
  - German dreams of empire
  - Fascist Italy
Europe destroyed, 1939-45
Japanese empire & defeat

- Japanese expansion
  - Displaced China in 20th century

- Colonial impact
  - Korean, Taiwan, etc.

- Defeat & reconstruction
II. The Empire of Business

A. End of European Hegemony
B. The American Century
C. The Communist Menace
D. Military-Industrial Complex
Dawn of the American Century, c. 1900

- US completes continental expansion
  - *Frederick Jackson Turner*
- US looks abroad
  - Open Door & commercial empire
  - Spanish-American War & Colonies
- US seeks new role
  - Woodrow Wilson & League of Nations
Post-WW2 American hegemony

- Unquestioned US dominance
  - Shaping postwar world
  - Carving up postwar map
  - Occupations of Japan & Germany

- New international institutions
  - Bretton Woods (1944)
    - HQs in Washington, D.C.
  - United Nations (1945)
    - HQ in New York
Postwar economic order

- Free trade
  - Rebuilding trade (GATT rounds)
  - Export-led development
- Capital export
  - Marshall Plan (Europe)
  - Military spending
  - Overseas investment
  - World Bank
- Financial stability
  - Fixed exchange rates
  - Dollar as global money
  - US as world banker
  - IMF
Postwar political order

- Decolonization & self-determination
  - Breaking up European empires

- Preventing war
  - Military umbrella
  - International Alliance System
    - NATO, SEATO, etc.

- Political accord
  - United Nations & legitimacy
  - International Law
Ugly reality of power

- Policing the globe
  - And going to war

- Backing dictators &
  - Suppressing rebellions

- Ignoring international law
  - Violating Geneva Accords
Ideology of empire

- "America is the most peaceful nation on earth" -- Ronald Reagan

- "I will never apologize for the United States of America - I don't care what the facts are." -- George Bush, Sr.
II. Empire of Business

A. End of European Hegemony
B. The American Century
C. The Communist Menace
D. Military-Industrial Complex
The Russian bear

- Contest of continental states
- Bolshevik Revolution (1917)
  - Western intervention (Reds & Whites)
- Soviet empire (USSR)
The two blocs

- Breakup of WW2 alliance
- Berlin and ‘Iron Curtain’ (1948)
- Fall of China (1949)

**US ideology:**
- ‘they started it’
- Free World
Capitalism v. Communism

- Rival to capitalism
  - Soviet success & WW2
  - Alternative economic model for new states
  - Inspiration for revolts
- Two world economies & geographies
Bulwark of capitalism

- Western Europe
  - Rebuilding West Germany
  - Suppressing Greek rebellion
  - Suppressing Left parties

- East Asia
  - Rebuilding Japan
  - Korean War
  - Export-led development

- Capitalism rebuilds behind US protective barrier
- German & Japanese miracles had help
II. Empire of Business

A. End of European Hegemony
B. The American Century
C. The Communist Menace
D. •Military-Industrial Complex
Projecting military power

USS Forrestal (CVA 89), the first of four ships of her class and the Navy's first supercarrier, was placed in commission at the Norfolk Naval Shipyard, Portsmouth, Va., Capt. R. L. Johnson in command. This was the follow-on ship to the CVA-59 which had been cancelled six years earlier. This is Forrestal with the Sixth Fleet in October 1967 (N660470).
US military umbrella

- Cold War front lines
  - NATO v. Soviets
    - Europe disarmed
    - Germany, Turkey bases
  - China front
    - Japan disarmed
    - S. Korea, Okinawa, Taiwan, Philippines

- Global military spending
  - Spurs European & East Asian growth
Global ‘intervention’

- Liberation movements suppressed
  - Congo, Vietnam, Central America, etc.
- Independent governments ousted
  - Guatemala, Iran, Indonesia, Dominican Republic, etc.

- Repression » economic backwardness
- Self-defeating politics over economics

US military at home

- Geography
  - Military bases
  - Arms industries

- Economy
  - #1 economic sector
  - #1 export
  - Key to rise of Sun Belt
    - SoCal the buckle
  - Markusen, Hall & Glasmeier, *The Rise of the Gun Belt*
Empire & Global Economy

I. Hegemony & Global Power
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III. • The Empire Strikes Back
IV. The Sorrows of Empire
III. The Empire Strikes Back

A. •Humbled in Vietnam
B. Schooling the Americas
C. Fall of the Soviet Empire
D. The US Military Noose
US invasion of Vietnam

- Colonial liberation, US intervention
- 10 years, 2 million dead
- Justified as anti-communism
Against Vietnam

- Defeat came from:
  - Tet Offensive
  - North Vietnam
  - China & Russia support
  - Rebellious soldiers
  - Families of soldiers
  - Popular protest
Vietnam Syndrome

- Popular Refusal
  - Aftermath of popular opposition to all war
  - Disarmament/Peace movement of 1980s
- US rulers furious
  - Angry with Vietnam (no relations for 20 years)
  - Angry with Soviets (US aid in Afghanistan)
  - Angry with public (still cannot tell truth)
  - Angry with draft (mercenary/volunteer army)
- US hegemony hardens under Reagan & Bush I=
  - Less generosity, democracy & stability
Ironies of history

- East Asia development undermines US
- China & Vietnam now on capitalist road
III. The Empire Strikes Back

A. Humbled in Vietnam
B. Schooling the Americas
C. Fall of the Soviet Empire
D. The US Military Noose
Cuban revolution (1959)

- US invades Cuba (Bay of Pigs, 1962)
  - Failed, humiliation

- Latin America turns left
  - US kills Che in Bolivia c 1967

- US sets up ‘Alliance for Progress’
  - Mostly military (School of the Americas)
New age of repression

- Military coups in South America
  - Brazil, Argentina, Chile, Bolivia, etc. (1965-75)
  - US invades Dominican Republic (1965)

- Contras of Central America (1980s)
  - Nicaraguan Revolution (1979) (Contras)
  - El Salvador (murder of Romero, Civil War)
  - Guatemala (>100,000 killed)
III. The Empire Strikes Back

A. Humbled in Vietnam
B. Schooling the Americas
C. • Fall of the Soviet Empire
D. The US Military Noose
Fall of the USSR

- East Europe rebels (1989)
- Gorbachev ends Communist Party rule (1990)
- Soviet republics released (1991)
- Reagan credited by neo-liberals
U.S. response

- Bush Sr. declares ‘New World Order’

- Expands NATO into Eastern Europe
  - Ahead of EU
  - Why Putin is ...d
III. The Empire Strikes Back

A. Humbled in Vietnam
B. Schooling the Americas
C. Fall of the Soviet Empire
D. •US Military Noose
US bases around the world

The Costs of “Permanent War”

Since Sept. 11, the U.S. has attacked Afghanistan and established at least 13 new military bases in the oil and natural gas-rich countries surrounding it. The bombing of Afghanistan has killed 3,600 civilians, wrought horrible destruction and deepened mass starvation and displacement. Today there are seven million Afghan internal and external refugees. The U.S. has put back in power the murderous Northern Alliance whom the Afghans threw out some years ago.

The administration has publicly threatened to attack 60 more countries, especially Iraq. In violation of international law, it has claimed the right to preemptively strike any country it thinks "harbors terrorists" or might produce weapons of mass destruction. The first use of nuclear weapons, even against countries that have no such weapons, is now official U.S. policy.

To carry out this dangerous military project, Washington proposes a 2003 military budget of $396 billion, an astounding 37 percent increase since Bush took office, and more than half of the total U.S. discretionary budget.

U.S. Military Troops and Bases Around the World

BY THE NUMBERS

- 845,441 Number of structures (covering 30 million acres) controlled by the Dept. of Defense, the world’s largest landlord.
- $396 billion Bush’s 2003 military budget
- $289 billion 2000 military budget (before Bush)
- $60 billion Military budget of Russia, 2nd in the world after U.S.
- 25 Number of top military spending countries whose combined military budgets equals that of the U.S.
- $45 billion Budget for education, 2nd largest discretionary budget item after military in 2002.
- 50.5% Proportion of the total 2002 U.S. discretionary budget devoted to military.

Umbrella or noose?

- US has the world surrounded
- Wants ‘rapid deployment’ to all corners
- Central Asian & Indian Ocean fronts…
  - E.g. Diego Garcia, Iraq, Kuwait
Empire & Global Economy

I. Hegemony & Global Power
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IV. •The Sorrows of Empire
IV. The Sorrows of Empire

A. • New World Order
B. War on the Middle East
C. New World Disorder
D. The War at Home
IV. The Sorrows of Empire

A. New World Order
B. •War on the Middle East
C. New World Disorder
D. The War at Home
New World Order?

- US triumph > 1989
  - No major opponent
  - Bush declares ‘NWO’
    - Global ‘TINA’
- Hegemony reaffirmed
  - European Union & Japan
- Victory in Iraq, 1991
- Economic revival, 1990s
Then it all goes wrong...

- 9/11
- Iraq War
- Financial crisis
- ...and more
War & revolt in Middle East

- Overthrow of Mussadeq (1954)
- Suez Crisis (1956)
- Israel-Arab War (1967)
- Six Day War (1973)
- Iranian Revolution (1979)
- Lebanese civil war (1980s)
- Russian Afghanistan (1984-89)
- Iran-Iraq (1980s)
- First Intifada (1989-91)
- Gulf War (1991)
- US invasion of Afghanistan (2001-?)
- Iraq War (2003-?)
- Second Intifada
- Israel-Hezbollah War (2006)
Illegal Invasion of Iraq - Why?

Aftermath of War

No proof of Powell’s arms claims
U.S. empty-handed in Iraq search for weapons of mass destruction

By Walter Pincus
Washington Post

WASHINGTON - The United States has yet to find weapons of mass destruction at any of the declared or suspected sites in Iraq, former Secretary of State Colin Powell told a key congressional committee Tuesday, continuing an effort to explain why the U.S. invasion of Iraq was necessary.

Powell denied in a hearing that the administration had been wrong in assuming that Iraq had weapons of mass destruction, as many had feared at the time of the invasion.

He said that the council was aware of Iraq’s weapons of mass destruction as well as its interest in terrorism.

The council was divided on the decision to invade and Powell said it was not made until late February 2003, after the U.S. had begun to attack Iraq.

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The Washington Post

Iraq after the war

Hunt for Hussein’s arsenal draws blank

By Peter Chang

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Imperial reasons

- Settling scores with Saddam
- To Iran & Syria?
- Protect Israel
- Post-Soviet power vacuum
Military reasons

- Test new Rapid Forces
- Establish new bases
- Try out subcontract mercenaries
Economic reasons

- Oil
  - Iraq was #2 producer
  - Pipelines in Central Asia
- Capitalism
- Installing new social order
Cultural reasons

"The enemy has got a face. He's called Satan. He lives in Falluja."

- Marine Lt Col Gareth Brandl, quote by the BBC, 2004
Blowback from Iraq

- US isolation
- Military quagmire
- High oil prices
- Recruits for Al Qaeda
- US budget deficits
- Descent into delirium
But aren’t we winning now?

- One in five Iraqis have been displaced. According to the UN Refugee Agency and the International Organization for Migration in 2007, almost 5 million Iraqis had been displaced by violence in their country, the vast majority of which had fled since 2003. Over 2.8 million vacated their homes for safer areas within Iraq, while 2 million were living in Syria, Jordan, Iran, Egypt, Lebanon, Turkey and Gulf States.
Agony in Afghanistan

Europe's doubts on President Karzai's election victory

09/17/2009 13:13
AFGHANISTAN

Yesterday the EU observers denounced suspect validity of one third of the votes, which could overturn Karzai’s victory in the first round. The outgoing president reaffirms the legality of the vote. The Afghan Election Commission criticizes EU “interference”. Difficulties for U.S. government.

Kabul (AsiaNews) - Afghan President Hamid Karzai today reaffirmed his "firm belief in the fairness of the presidential elections," held August 20 that saw him win with 54.6% (3.1 million out of 5.7 million valid votes). He denies European Union doubts that more than a third of the 1.5 million votes were fraudulent; 1.1 million for Karzai and 300 thousand for the challenger Abdullah Abdullah.
Disintegration in Pakistan?
IV. The Sorrows of Empire

A. New World Order
B. War on the Middle East
C. •New World Disorder
D. The War at Home
A world out of control?

- Out of whose control?
- Who lowered the bar?

US ‘has secret bio-weapons programme’

Fallout seen from White House nuclear policy

Bush’s nuclear arms plan

Administration wants billions to update U.S. warheads

Bush doctrine: Hit first

Carter accepts Nobel Peace Prize

Bush’s new military policy: first strikes, unrivalled power
Russian Revival?

- Chechnyan war & rise of Putin
- Belligerence in Ukraine & Georgia
- Reaction to NATO expansion
  - Missiles in Poland
  - War on Georgia
China test sparks space arms fears  By Rob Watson  BBC
Friday, 19 January 2007

It has been described by some arms control experts as the beginning of a new arms race in space, pitting China against the United States. Last week, according to US officials, China managed to destroy one of its own ageing weather satellites using a medium-range ballistic missile. .....
Latin breakaway

Bush always planned to oust Aristide

Posted 8/22/2005 11:01 PM   Updated 8/23/2005 1:46 PM

Pat Robertson calls for assassination of Hugo Chavez

VIRGINIA BEACH (AP) — Religious broadcaster Pat Robertson suggested on-air that American operatives assassinate Venezuelan President Hugo Chavez to stop his country from becoming "a launching pad for communist infiltration and Muslim extremism."

"We have the ability to take him (Chavez) out, and I think the time has come that we exercise that ability," Robertson said.

By Gene Puskar, AP

"We don't need another $200 billion war to get rid of one, you know, strong-arm dictator," he continued. "It's a whole lot easier to have some of the covert operatives do the job and then get it over with."

"We have the ability to take him out, and I think the time has come that we exercise that ability," Robertson said Monday on the Christian Broadcast Network's The 700 Club. (Related video: Robertson speaks)
EU counter?

- German pacifism
  - (also Japan)
- Europe & Yugoslavia
  - US steps in
- ‘Human Rights’ era?
- Falling into line
  - Georgia, Afghanistan

EU adopts defense strategy one step away from NATO

Support for ousting Saddam may leave prime ministers fighting their own battle to avoid regime change

Rising anti-war tide threatens leaders
IV. The Sorrows of Empire

A. New World Order
B. War on the Middle East
C. New World Disorder
D. •The War at Home
Why?

- Do ‘they hate us for our freedom’?
- Or for our power & ruthlessness?
- US as victim
  - Excuses our global role
  - Excuse our behavior
Who are enemies of freedom?

- “War on Terrorism”
  - End of Habeus Corpus
  -Spying & wiretaps at home
  - Mexican Wall & Deportations
What does permanent war do to us?

- National security state
  - Undermines democracy
- Pandering to the military-industrial complex
  - Undermines social spending
- Love of war & military
  - Suppresses all criticism
Who lost the moral compass?

Bush memos reveal stance on torture

President reserved right to suspend Geneva convention at any time

I accept the legal conclusion of the attorney general and the depart-
ment of justice that I have the authority to suspend international
prisoners in the event of a national emergency.

Mr. Bush wrote, "I reserve the right to exercise this authority in times of war." 

Other significant documents revealed that the Bush administration had
considered methods for preventing information from being
exposed under the Geneva convention, such as forcing detainees to stand
for up to five hours. It included an order for information to be sent to
the White House, who were instructed to destroy it.

Winter Soldier

They Risked Everything To Tell The Truth.
The cost of empire

- Declining competitiveness
  - Waste of money & talent on military, spies etc
- Payment deficits
- Can’t pay for domestic programs
  - health care, public universities, etc.
The empire comes home

- New Orleans - Heavily armed paramilitary mercenaries from the Blackwater private security firm, infamous for their work in Iraq, are openly patrolling the streets of New Orleans. Some of the mercenaries say they have been "deputized" by the Louisiana governor; indeed some are wearing gold Louisiana state law enforcement badges on their chests and Blackwater photo identification cards on their arms. They say they are on contract with the Department of Homeland Security and have been given the authority to use lethal force. Several mercenaries we spoke with said they had served in Iraq on the personal security details of the former head of the US occupation, L. Paul Bremer and the former US ambassador to Iraq, John Negroponte.

- "This is a totally new thing to have guys like us working CONUS (Continental United States)," a heavily armed Blackwater mercenary told us as we stood on Bourbon Street in the French Quarter. "We're much better equipped to deal with the situation in Iraq."