

## **The American Tragedy: The Quagmire of War, Rhetoric of Oil, and the Conundrum of Hegemony**

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*“A foreign policy that is both immoral and unsuccessful is not simply stupid, it is increasingly dangerous to those who practice or favor it. That is the predicament that the United States now confronts.”*

Gabriel Kolko,  
*Another Century of War?* 2002, p. 138

### **Introduction**

The invasion of Iraq—and subsequent occupation of the country since March 2003—is a *déjà vu* in the context of the repeated attempts by the United States at turning back the clock of history in order to save her global hegemony. In this connection, the building of the so-called coalition, which was troublesome back in 1990, is now unworthy of the name, particularly in the view of the fact that neither the region’s friendliest (U.S.) client-states nor the spirited “partners” of the exclusive imperialist club of the now defunct *Pax Americana* have had any desire to join the invasion. Britain, of course, has been an aberration in this and the previous Persian Gulf War. The mirror image of this adventurous undertaking has also revealed itself in the deepening of the differences in the United Nations’ Security Council and the widening cleavage within the ranks of NATO itself. This, however, was not entirely unexpected, given the lingering global contradictions that were simmering long

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in the period between the quiet implosion of the *Pax Americana* in the late 1970s, and the disquiet implosion of Soviet Empire in the late 1980s. As it turned out, the objective conditions of the emerging international polity and subjective tendencies of American unilateralism did not find mutual congenial ground on the epochal plane of globalization.<sup>2</sup> The loss of American hegemony prompted undisguised belligerence, culminating in outright aggression by the Bush administration. The war against the weak, symbolic enemy seemed inevitable.<sup>3</sup>

I argue throughout this paper that the war-for-oil scenario is a misleading myth that contradicts globalization. First, it ignores the analytical periodization of oil into (1) an early period of cartelization, (2) the transitional period of 1950-1972, and (3) the era of globalization since the mid-1970s. Second, it overlooks the distinction between the cartelized regime of “administrative pricing” and pricing according to the objective conditions and dynamics of global oil markets.<sup>4</sup> Third, it neglects the nature of property relations in the industry and the resultant formation of differential oil rents in the newly found post-1974 oil crisis.<sup>5</sup> Fourth, by focusing on OPEC alone, it discounts the pivotal role of the least productive U.S. oilfields that are the key to worldwide pricing of oil. Fifth, it is unaware of the fact that OPEC prices are constrained by the worldwide competitive spot (oil) prices, which makes OPEC oil rents subject to global competition.<sup>6</sup> Finally, the war-for-oil scenario does not recognize that words such as “access,” “dependency,” “control,” etc. have no place in the context of post-cartelized global oil industry.<sup>7</sup> By rejecting the epiphenomenon of the war-for-oil scenario as the cause of American belligerence, this paper focuses on the epochal changes that in reality caused the eventual fall of American hegemony and the stubbornly reactionary behavior of the U.S. government against it.<sup>8</sup> This diagnosis is far more relevant to the unilateralist U.S. actions against the global peace and stability than the flimsy, reductionist, and purported notion of the “oil grab.”<sup>9</sup>

Well over a decade ago, in the aftermath of the 1991 Persian Gulf War, I expressed concern over the consequence of U.S. military intervention and the new posture associated with the presence of seemingly ‘victorious’ U.S. forces in the Persian Gulf.<sup>10</sup> I detected a curious contradiction in the reversal of U.S. policy toward Saddam Hussein. Shortly after, I wrote: “After all, this colossal military power was unleashed against a junior partner that was an active participant in U.S. (Persian Gulf) policy for a good num-

ber of years.”<sup>11</sup> I was convinced then as I am now that neither the rhetoric of democracy nor the purported “access” to “cheap” oil is the cause of U.S. intervention in Iraq. Rather, these unilateral and semi-unilateral interventions, particularly since the fall of the Soviet Union, are the latent reactions to the late 1970s implosion of the Pax Americana and consequently the loss of American hegemony.<sup>12</sup> Hence, I offered the following conclusion:

In the past [i.e., during the era of Pax Americana], the United States had sufficient [epochal] hegemony to maintain the world [according to its historical mission.] Now, it is striving to maintain [the nostalgic impression of] that hegemony. Hence, we now see the type of military intervention that neither serves American interests nor substitutes for political [and economic] weaknesses. Thus, at this historical juncture, attempting hegemonic reassertion through aggression proves contradictory and self-limiting, thereby bringing to the open the most critical aspects of U.S. participation in [escalating] the present global disorder.<sup>13</sup>

### **The War-for-Oil and the Mismeasure of “Blood”<sup>14</sup>**

The history of Middle Eastern oil, including its subsequent development into a modern industry, can be divided into three distinct stages: (1) the era of international cartels, 1901-1950; (2) the era of transition, 1950-1972; and (3) the era of globalization since the mid-1970s. A slightly different historical periodization can be provided for the U.S. domestic oil industry: (1) the era of classical cartelization and early oil trusts of 1870-1910; (2) the era of regulated neo-cartelization of 1911-1972; and (3) the era of globalization since the mid-1970s. A close examination of the entire 1870-1970 period would reveal that administrative pricing under the International Oil Cartel (known as Seven Sisters) were predominantly the rule in the oil business. The cartel, however, began to lose its grip during the 1950s and 1960s. Proliferating market forces, in conjunction with the development of capitalist social relations in the colonial and semi-colonial oil regions, had overcome the colonial concessions and worldwide administrative control of oil under the international oil cartel. The oil crisis of 1973-1974 was but the symptom of this transformation toward globalization. Moreover, the so-called “OPEC offensive”—which was misperceived by both the right and the left as the cause for re-control of oil market/prices—was but the catalyst of this de-cartelization and globalization of oil.<sup>15</sup>

The war-for-oil scenario, as a popular myth, ignores the

deeper understanding of the complex web of contradictions and regulating dynamics of today's economy and polity. Yet, the very anachronism of this scenario is understandable in the view of the anachronistic U.S. behavior that is so dreadfully attempting to reverse the loss of American hegemony against the time and, more importantly, history. Therefore, parallel with the anachronistic reality of U.S. colonial conduct in Iraq, the anachronism of the "oil grab" becomes "reality" in the minds of those who chant "No Blood for Oil." Yet, holding a parallel between the U.S. invasion of Iraq and the control of oil is a farfetched proposition, if not an outright illusion. For, since the mid-1970s, the material bases and dynamics of post-cartelization and globalization of oil render the physical access, prearranged inter-company allocation, and indeed administrative control and pricing of oil redundant. This rather counter-intuitive reality also renders any connection between the war and oil—other than given disbursement to finance matters such as the establishment of a puppet government—superfluous.

Nevertheless, in an interview, James Schlesinger remarked: "The United States [Bush, 41<sup>st</sup>] has gone to war now, and the American people presume this will lead to a secure oil supply. As a society we have made a choice to *secure access* to oil by military means. The alternative is to become *independent* to a large degree of that *secure access*."<sup>16</sup> It is indeed surprising that a market-worshipping Chicago School economist fails to see the formation of (spot) oil prices within interconnected and unified markets since the post-cartelization of oil in the 1970s. Schlesinger, on the one hand, stresses on the phrase "secure access" and, on the other hand, underscores the alternative of "independence," as if one can insulate the U.S. oil industry from the rest of the transnational oil. This thesis provides a convenient cover for two separate strategic projects: justifying the war without exposing its real cause, and creating panic by playing the familiar scarcity card to extend the exploration of oil in the pristine U.S. regions of wildlife such as ANWAR. In this context this was also what the Bush administration and Cheney's "Task Force on Energy" probably had in mind when they were referring to "secure oil."

In a nutshell, the above thesis ignores (1) the *mutuality* of oil producers and oil consumer, the need of both sides in selling and purchasing in the competitive global oil market, (2) the interdependence of oil regions in the present interdependent world, (3) the formation of global price based on the cost of highest-cost (U.S.) producer, not the cost of individual oil regions, and (4) the formation of differential oil rents, given the existing differential (regional)

costs, through competition. Here, the dramatized “oil dependency” is but an empty phrase in the view of the transnationalization of oil since the 1970s.<sup>17</sup>

On the opposite side, hardly anyone on the left fully recognized the implication of uncritical acceptance of the above tautological thesis. Thus, the left-wing liberals and the radical left adopted this theory and dressed it up in leftist garb before applying it to either the question of war or the problem of environment. Michael Klare is one of remarkable defenders of this thesis on the left. He declares: “Two key concerns underlie the Administration’s [Bush, 43<sup>rd</sup>] thinking: First, the United States is becoming dangerously dependent on imported petroleum to meet its daily energy requirements, and second, Iraq possesses the world’s largest reserves of untapped petroleum after Saudi Arabia.”<sup>18</sup> Klare, however, takes this thesis one step further to an improvised level of neo-Malthusian scarcity:

Global demand for many key materials is growing at an unsustainable rate. As the human population grows, societies require more of everything (food, water, energy, timber, minerals, fibers, and so on) to satisfy the basic material requirements of their individual members.... Because the production and utilization of these products entails [sic.] the consumption of vast amount of energy, minerals, and other materials, the global requirement for many basic commodities has consistently exceeded the rate of population growth.<sup>19</sup>

This worn-out neo-Malthusian message has again been reiterated in *Blood and Oil*. Yet, Klare—who is perplexed by the gravity of U.S. involvement in Iraq—is “compelled ... to conclude that petroleum is unique among the world’s resources—that it has more potential than any of the others to provoke major crises and conflicts in the years ahead.” Again for Klare (and for many on the left) the specificity of the *cause-and-effect* seems to have no bearing on this historically unique epochal conflict—and his fascination with oil is so intensive that he fails to realize a need for a specific and independent analytical proof.<sup>20</sup>

I contend that, at best, the war-for-oil scenario is a text without a context. On a logical level, the oil scenario is a remarkable example of a *post hoc, ergo propter hoc* fallacy, misplacing the real cause of U.S. military intervention.<sup>21</sup> Moreover, by neglecting the depth of the last two decades of global transformation, the protagonists on the left and the right both have adopted a very voluntaristic-functional view of the U.S. global role.<sup>22</sup> The left tends to capital-

ize on a voluntaristic interpretation of the concept of hegemony and the functionalist pivot of U.S. military might.<sup>23</sup> For Klare, though, the global conflict “is entirely the product of geology.”<sup>24</sup> The right, on the other hand, tends to rely on the notion of a “unipolar” world and wishful arguments of the “bound to lead” variety, without adequate attention to the emerging new polarities associated with the loss of American hegemony and the forces of globalization.

Others on the left, who are obsessively fond of the war-for-oil scenario, argue that this war may not have been for oil in the interest of U.S. capitalism as a whole, but rather in the interest of “U.S. oil corporations.” Hence, they propose that the cost of war<sup>25</sup> amounts to a huge subsidy by the entire society given to the oil industry. This is a fictitious argument derived from the blind assumption of “direct access” and physical control of oil, and absolute denial of the reality of global transformation of the oil industry in the early 1970s. It is also crude and arbitrary, given the reduction of the material interests of the entire (U.S.) capitalist class to the alleged interests of its tiny fraction. And, appealing to casual observation, such as watching news from the Iraqi oilfields and the arrival of oil service contractors for “rebuilding” Iraq, is not sufficient to turn away from serious analysis.<sup>26</sup> The truth is that this adventurous undertaking is in the interest of neither.

Finally, attaching significance to the switching of the currency, from dollar to euro, by OPEC oil producers is unjustified. As Krugman pointed out in a short note, any possible shift from the dollar to the euro on the part of OPEC will result in a “small change,” for the U.S. economy—much smaller than the switching made already by the “Russian Mafia.”<sup>27</sup> However, many on the left are not losing any opportunity to grasp this straw.

### **Hegemony, Consent, and Mediation**

The concept of hegemony, both in its national framework and its epochal *inter*-national configuration, is indivisible and “organic” in respect to its constituent economic, political, and ideological counterparts. And, it is due to the consensual internal dynamics and intrinsic ideological power of the whole that there remains hardly any application for exerting *external* and antagonistic power projection. This, in broad measure, reflects Gramsci’s hegemony and its relevance, for instance, to the international economy and polity during the rise and fall of Pax Americana (1945-1979). Similarly, the historical and institutional reasons for the erosion of

American hegemony must be examined in conjunction with the mediating imperatives that bring about a powerful tendency toward a multi-polar polity in the present *era of globalization*. Gramsci, nevertheless, focuses on the “organic intellectuals” in modern society and examines the formation of ideology and the “world of production” mediated through the complex intricacies of “civil society” and “political society” (Gramsci, 1971, p. 12).<sup>28</sup>

In contrast, the pervasive notion of hegemony popularized in the *orthodox International Relations* literature refers to *unmediated* impositions that more often than not capitalize on the direct antagonistic interactions among the opposing counterparts in the polity, particularly the international polity.<sup>29</sup> Indeed, the remarkable journalistic replication of such an interpretation is so widespread in the media that, despite its lack of critical justification, it is appealing to the popular culture of today. Therefore, it is often painstakingly difficult to get through an intelligent discussion without a great deal of digression and considerable shift of focus when, for instance, it comes to the question of hegemonic rise and demise of the Pax Americana. Hegemony, so perceived, is an ad hoc, ahistorical, tautological, and misconstrued category being employed by the left and the right alike. In other words, hegemonic position for both the left and the right often depends on the imposition of force from without toward the annihilation of one’s enemy, rather than resulting from the internal dynamics. Consequently, I contend that the U.S. positions in all three Persian Gulf Wars (Iran-Iraq war of 1980-1988 included) are falsely branded as hegemonic.<sup>30</sup>

Hegemony, in my view, has four characteristics. It is (1) organically consensual, (2) internally driven, (3) historically endowed, and (4) institutionally mediating. The focus here is upon the rise and fall of Pax Americana, a historically specific inter-state system that has risen after the Second World War (1945) and fallen in the late 1970s. The matter of hegemony—and hegemonic structure—is the mutual characteristic of the system as a whole, and not a separate property of the hegemon. American hegemony, therefore, should not be seen as one-sided but *dialectical*.<sup>31</sup> Here, *hegemony thrives through the reflection of the whole, not the exertion of the part*. To be organic, the (subjective) hegemonic power of a “social group,” “a national entity,” etc., presupposes the material objectivity of the whole. Otherwise, claim to hegemony would erroneously rely on the (algebraic) summation of the constituent parts and lead to *falsity of composition*. Consequently, during the historical period of

1945-1980, the U.S. gained hegemonic power by the virtue of hegemonic Pax Americana. And, in the absence of the latter, speaking of American hegemony is an empty phrase devoid of validity in today's global polity.<sup>32</sup>

### **The Rise of the *Pax Americana***

In order to see the concrete manifestation of hegemony in the then ascendant Pax Americana,<sup>33</sup> we simply need to focus on the application of the (tripartite) American Doctrine of Containment after the Second World War. This doctrine was an embodiment of (1) the containment of the Soviet Union, (2) the containment of democratic/nationalist movements in the "Third World," and (3) containment, co-option, and the molding of "civil society" in the United States.<sup>34</sup> The example of the first kind of containment is the placement of the Soviets behind the ideological divide of the Iron Curtain, and the imposition and enforcement of the Cold War.<sup>35</sup> Hence, the Cold War should be seen as a multidimensional hegemonic phenomenon, spanning the economy, polity, and the realm of ideology and culture worldwide.

Evidence of the second type of containment is the declaration of anti colonial policy on the one hand, and the subversion of democratic national movements in the "Third world" on the other hand. This doctrine often led to covert campaigns and coup d'états mediated through the selection of handpicked regimes, which despite their contradictory material outlook and discursive political mission, were an embodiment of Pax Americana itself.<sup>36</sup> At the same time, America's deliberate attempt at the speedy economic transformation of these social formations—for instance, via the introduction of universal land-reform programs—led to their hasty and uneven inclusion in the transnational capitalist orbit.<sup>37</sup>

Finally, the third containment strategy was channeled through the U.S. domestic thought control and the eventual expulsion of independent institutions within the domestic "civil society"—such as militant labor unions and the progressive political institutions of the real or imaginary left. This, in turn, led to the forceful imposition of a "hegemonic model" of ideological emulation that decidedly shifted the direction of American political spectrum to the far right and marginalized the left for the unforeseeable future. McCarthyism is but the tip of the iceberg when it comes to the assessment of domestic effects of this strategy. As I have maintained elsewhere, "America itself has become a prime casualty [of doctrine



of containment] that has yet to recover from its prolonged [intellectual] timidity, its chronic insecurity, and above all, the injuries sustained to its collective consciousness.”<sup>38</sup>

In the economic arena, the indication of hegemony can be seen from the status of U.S. dollar as universal currency in connection with the newly devised international monetary system, known as the Bretton Woods (1945-1971). This arrangement—coupled with the Marshall Plan for the postwar reconstruction of Europe, and the Agency for International Development (AID) having to do with the “Third World”—exponentially increased the U.S. power during the formative years of Pax Americana. Institutionally, powerful U.S.-dominated international institutions, such as the International Monetary Fund (IMF) and the World Bank, came to direct and influence the modus operandi of particular development strategies that paved the way for hegemonic ascent of the system as a whole. Indeed, the socioeconomic restructuring of the Pax Americana was preconditioned upon the eventual *absorption* of nearly two-thirds of the Earth’s inhabitants, known as the Third World. Such absorption was, of course, contingent upon what Gramsci calls “passive revolution,” in which separation of the immediate producer from land eventually creates an internal market for the propagation of capitalist accumulation through the penetration of transnational capital.<sup>39</sup> This is contrary to the colonial system of Pax Britannica that essentially lived and died by the sword through (1) *direct* colonial administration, (2) *direct* plunder, (3) *direct* and unmediated repatriation of surplus from the colonies, (4) foreign policy based upon the universal application of *gunboat* diplomacy, and (5) explicit institutional racism, physical segregation, and cultural *separation* within the empire, without *mediating* institutions conducive to integral development.

Now, given the characterization of the Pax Americana above, the extent of hegemony embedded in the system on the one hand can be measured by its *underpinning* social relations and on the other hand by the flourishing *mediating* economic, political, and ideological institutions. In other words, both of these *necessary and sufficient* conditions must be satisfied in order to speak of hegemony in a modern socioeconomic system. In the case of Pax Americana—during its height and hegemony—social relations, combined with international economic institutions, led to the advancement of transnationalization of capital. In turn, the advancement of transnationalization and its effects on the global economic, political, and social relations led to the eventual unraveling of the Pax

Americana; hence, the intensity of the contained shattered the livelihood of the container.

### **The Demise and the Conundrum of Hegemony**

As we have seen, the dominant reason for the implosion of the Pax Americana was a series of quantitative changes that eventually led to an epochal qualitative change in the global socioeconomic relations in the 1970s. The effect of these changes also removed America from its hegemonic throne at the apex of the “old” international system. Therefore, the claim of “unipolarity” (of the emerging global polity) made by many in the international relations circles and elsewhere is a superficial claim at best and misleading and dishonest at worst. At a more fundamental level, since the 1970s, it is through the particular dialectical relationship of state and the manifold geographical integration, disintegration, and re-integration of global capital that one may speak of the demise of the U.S.-dominated hierarchy and thus loss of American hegemony. In political and institutional terms, the European unification and political and ideological upheavals that have taken place in many strategically located client states within the Pax Americana clearly speak to this epochal change.

It is worth mentioning that the rise of the so-called political Islam since the late 1970s should not be interpreted as an independently competing alternative to liberal democracy, despite the rhetoric of Islamic movements and the frightful and exaggerated claims in Western media. To be sure, as the Iranian experience demonstrates, Islam is not proven to be a viable third way or a suitable substitute for framing the civil societies of post-Pax Americana. Yet, the rise of political Islam presents the mirror image of the political failure—and indeed the demise—of the West and Western liberalism. Given the collapse of Soviet “state capitalism” and the crises of Western liberalism, neither of these ideological models can be seen as viable in the eyes of alienated Islamists. Nonetheless, as the by-product of the system itself, the rise of political Islam, for a good measure, reveals the loss of American hegemony.<sup>40</sup>

Now, further examination of the desperate and discursive reversal of these and many other aspects of U.S. hegemony, particularly since the beginning of the Bush administration in January 2001, reveals a vivid loss of American hegemony in terms of the replacement of spontaneity with belligerence, unilateralism with multilateralism, and containment with a reckless preemptive strat-

egy. In December 2001, the Bush administration unveiled its “National Strategy to Combat Weapons of Mass Destruction.” This was following its earlier pronouncement of the axis-of-evil policy against a handful of so-called rogue states in the Middle East and elsewhere. The Bush administration used the unfortunate events of September 11, 2001 as a convenient cover to inaugurate its new doctrine of permanent war.<sup>41</sup> This new Doctrine of Preemption is as follows:

An effective strategy for countering WMD [Weapons of Mass Destruction], including their use and further proliferation, is an integral component of the National Security Strategy of the United States of America. As with the war on terrorism [i.e., invasion of Afghanistan, etc.], our strategy for homeland security, and *our new concept of deterrence, the U.S. approach to combat WMD represents a fundamental change from the past...* (p.1, emphasis added). Because deterrence may not succeed, and because of the potentially devastating consequences of WMD use against our forces and civilian population, U.S. military forces and appropriate civilian agencies must have the capability to defend against WMD -armed adversaries, including in appropriate cases *through preemptive measures*. This requires capabilities to *detect and destroy an adversary’s WMD assets before these weapons are used* (p. 3, emphasis added).<sup>42</sup>

As we have seen so far, following the full-scale invasion of Iraq by the American and British forces, no weapons of mass destruction have been found. However, in the 1980s, while Saddam Hussein was gassing the Iranian troops and Iraq’s own Kurds, the U.S. government, with full knowledge of these activities, showed no apparent concern about the use of the weapons of mass destruction.<sup>43</sup> The following passages are illuminating:

The U.S., which followed developments in the Iran-Iraq war with extraordinary intensity, had intelligence confirming Iran’s accusations, and describing Iraq’s “almost daily” use of chemical weapons, concurrent with its policy review and decision to support Iraq in the war. *The intelligence indicated that Iraq used chemical weapons against Iranian forces, and according to a November 1983 memo, against “Kurdish insurgents” as well.*<sup>44</sup>

[When] Donald Rumsfeld ... was dispatched to the Middle East as a presidential envoy ... [h]is December 1983 tour of regional capitals included Baghdad, where he was to establish “direct contact between an envoy of President Reagan and President

Saddam Hussein,” while emphasizing “his close relationship” with the president. Rumsfeld met with Saddam, and the two discussed regional issues of mutual interest, shared enmity toward Iran and Syria, and the US’s effort to find alternative routes to transport Iraq’s oil; its facilities in the Persian Gulf had been shot down by Iran, and Iran’s ally, Syria, had cut off a pipeline that transported Iraqi oil through the territory. *Rumsfeld made no reference to chemical weapons, according to detailed notes on the meeting.*<sup>45</sup>

On the flip side, some twenty years and two Persian Gulf wars later, the U.S. officials—following intense arm-twisting, disdainful bribery, and frantic illegal wire-tapping at the UN Security Council—proved unable to get what they asked for. This time, contrary to the Iran-Iraq war interlude, the U.S. insisted that Saddam Hussein must have been developing the weapons of mass destruction. This claim, however, was incompatible with the various U.N. inspection reports under Blix and El-Baradei. Blix also challenged the United States for being unreasonable and, perhaps, unserious about the adequacy of time for thorough U.N. inspection.<sup>46</sup> The heavyweight members of the Security Council, aside from the U.S. and U.K., did not want to be rushed into a premature action. They all preferred a peaceful resolution to a war option at this time. It was the United States, which was anxiously looking at its preemptive watch—a bloody timetable that was set by the Pentagon group under Wolfowitz. Now, despite ample opportunity for inspection, no weapons of mass destruction have ever been found in occupied Iraq.<sup>47</sup>

In the meantime, the UN Security Council presentation by Secretary of State Colin Powell turned out to be a hoax. It was a clumsy blend of outright plagiarism and deliberate misinformation. The so-called evidence was carbon-copied from three different sources, including a decade-old graduate student thesis, portrayed as new intelligence.<sup>48</sup> He also made untruthful claims based on the alleged recorded conversation of two senior [Iraqi] officers. In his presentation, Powell also named an Iraqi business enterprise, which was allegedly involved in prohibited weapons system activity. Finally, in a haphazard manner, Powell—(while George Tenet, CIA director, was sitting right behind him and leaning on his back)—showed the members several satellite pictures from the alleged sites that, in his own words, were the center for the production of weapons of mass destruction. At the end, Powell, who clearly realized that there is not much evidence on the table, was quick to declare: “I cannot tell you everything that we know. But what I can share with

you, when combined with what all of us have learned over the years, is deeply troubling.”<sup>49</sup> After a 16-month investigation and examination of more than 40 million pages of documents, the Duelfer Report has found no evidence of Weapons of Mass Destruction in Iraq.<sup>50</sup>

In sum, when the so-called good guy of this administration takes part in deliberate deceit and has no qualms with signing off and participating in a rogue, rotten, and smelly foreign policy, we need to look deeper into not only the temporal decadence of the Bush administration but also the self-defeating effects of epochal loss of hegemony in the post-Pax Americana. To be sure, the Nine-Eleven is the trigger, not the cause, of all this.<sup>51</sup> For the cause is already embedded in the crumbling structure since the collapse of the Pax Americana and the loss of U.S. global hegemony. That is why, contrary to the evidence, the Bush administration is still insisting on the alleged connection of Hussein’s government with al-Qaeda. That is why the so-called fight against “terrorism” has gone through Baghdad.

### **Concluding Remarks**

History has proven that capitalism is not about self-sufficiency, security, and independence, much less energy and oil independence. It is rather about discursive mutuality and contradictory interdependence. The war-for-oil scenario obtains its lineage from an old, speculative, and ahistorical right-wing economic theory where the right relies on its anachronistic application of oil monopoly and the theory-less and clue-less left on its petty bourgeois interpretation. The oil, however, is the effect—not the cause—of the U.S. war in Iraq. The cause is the collapse of the Pax Americana, the loss of American hegemony, and the self-limiting conundrum of U.S. reactions, which so far the Bush administration portrayed most nakedly and which is a million times more dangerous for global peace and stability than the flimsy oil motive. My thesis is a twofold explanation of the temporal and epochal nature of the Bush administration in this conflict. Oil is the temporal sideshow, the significance of which is the sheer disbursement of Iraqi oil revenues, albeit limited by the magnitude of oil rents alone. This could be utilized for the fattening of the likes of Cheney’s Halliburton. The main show that is much more important and much more interesting is about the epochal dynamics of this conflict. The world is now grappling with the loss of American hegemony and the debilitating after effects of U.S. reckless reactions. The epochal train has already departed, and

the passenger who is running desperately in the opposite direction through the rear cars is running out of time.

### Notes

2. Bob Woodward, *Plan of Attack*, (New York: Simon & Schuster, 2004).
3. Kenneth Adelman, "Cakewalk in Iraq," *The Washington Post*, (February 13, 2002), p. A27.
4. Cyrus Bina, *The Economics of the Oil Crisis*, (New York: St. Martin's Press, 1985).
5. Cyrus Bina, "Some Controversies in the Development of Rent Theory: The Nature of Oil Rent," *Capital & Class*, No. 39, (Winter 1989).
6. Cyrus Bina, "Limits of OPEC Pricing: OPEC Profits and the Nature of Global Oil Accumulation," *OPEC Review*, 14. 1, (Spring 1990). Here OPEC differential oil rents are being formed in competition. We rely on the Schumpeterian competition, not the axiomatic fiat of competition that is often caricatured in neoclassical economics textbooks. Schumpeter, following Smith, Ricardo, and Marx, contends that competition is coercion of capital against capital, thus leading to further concentration and centralization and hence "...strikes not at the margins of the profits and the outputs of the existing firms but at their foundations and their very lives," Schumpeter, J. A., *Capitalism, Socialism and Democracy*, (New York: Harper & Row, 1942, p. 84).
7. Cyrus Bina, "War Over Access to Cheap Oil, or the Reassertion of U.S. Hegemony?" in G. Bates (ed.) *Mobilizing Democracy: Changing the U.S. Role in the Middle East*, (Monroe, Maine: Common Courage Press, 1991).
8. The word 'reactionary' here has a double meaning: (1) desperate reaction against an objective reality and (2) backward-looking.
9. To be sure, the U.S. hope for domination of Iraq and establishment of a puppet government opens the door for the direct appropriation of Iraqi oil rents (revenues), not the determination of oil prices or "control" of oil.
10. A talk given at the Twenty-Third annual meetings of AAUG, Northwestern University, Evanston, Illinois, June 1991.
11. Cyrus Bina, "The Rhetoric of Oil and the Dilemma of War and American Hegemony," *Arab Studies Quarterly*, Vol. 15, No. 3, Summer 1993, p. 2; Cyrus Bina, "On Sand Castles and Sandcastle Conjectures: A Rejoinder," *Arab Studies Quarterly*, Vol. 17. 1/2, (Winter/Spring 1995).
12. The tragic events of September 11, 2001 are but the outward reflection of violent political and ideological forces that have long been accumulating in the American political outposts and thus ready for sudden internalization. Here, there is no distinction between "inside" and "outside" in the borderless world of globalization. See also Immanuel Wallerstein, "The Eagle Has Crash Landed," *Foreign Policy*, July/August 2002: [http://www.foreignpolicy.com/issue\\_julyaug\\_2002/wallerstein.html](http://www.foreignpolicy.com/issue_julyaug_2002/wallerstein.html).
13. Bina, 1993, op. cit., p. 4.
14. Michael T. Klare, "It's the Oil, Stupid," *The Nation*, (May 12, 2003); Gore Vidal, "Blood for Oil," *The Nation*, (October 28, 2002).
15. See Bina, (1990).
16. James Schlesinger, "Interview: Will War Yield Oil Security?" *Challenge*, March/April, 1991, emphasis added.
17. Bina, 1985, op. cit.

18. Michael T. Klare, "Oiling the Wheels of War," *The Nation*, (October 7, 2002).
19. Michael T. Klare, *Resource Wars*, (New York: Henry Holt & Company, 2001), pp. 15-16.
20. Michael T. Klare, *Blood and Oil: The Dangers and Consequences of America's Growing Dependency on Imported Petroleum*, (New York: Metropolitan Books, 2004), p. xiii.
21. Cyrus Bina, "Oil, Japan, and Globalization," *Challenge*, 37.3, (May/June 1994).
22. See Edward N. Krapels, "The Commanding Heights: International Oil in a Changed World," *International Affairs*, 69.1, (January 1993).
23. Simon Bromley, *American Hegemony and World Oil*, (University Park, PA: The Pennsylvania State University, 1991); and my review of it in *Harvard Middle Eastern and Islamic Review*, 1.2, (1994), pp. 194-198.
24. Klare, "It's the Oil Stupid" (2001), p. 54.
25. According to Nordhaus estimates, the direct and indirect costs of forceful occupation of Iraq would range somewhere between \$120 billion and \$1.6 trillion over a 10-year period. See William D. Nordhaus, "Iraq: The Economic Consequences of War," *New York Review of Books*, 49.19, (December 5, 2002); For estimates of Iraqi oil rents see Cyrus Bina, "Is It The Oil, Stupid?" *URPE Newsletter*, Spring 2004.
26. Klare, "It's the Oil Stupid," (2002).
27. See Paul Krugman, "Nothing for Money," March 14, 2003: <http://www.wwsprinceton.edu/~pkrugman/oildollar.html>.
28. Gramsci, *Selected from the Prison Notebooks*, (New York: International Publishers, 1971).
29. Contrary the orthodoxy speaking of hegemony in fractured entities, such as "military hegemony," "political hegemony," or "economic hegemony," betrays the organic meaning of the concept.
30. For the Iran-Iraq war see U.S. Congress, Senate Committee on Foreign Relations, *War in the Persian Gulf: The U.S. Takes Sides*, (Washington, D.C.: U.S. Government Printing Office, (November 1987)); U.S. Congress, House Committee on Foreign relations, Hearing before the Subcommittee on Europe and the Middle East, *United States-Iraq Relations*, (Washington, D.C.: U.S. Government Printing Office, (April 26, 1990)); The National Security Archive, "Shaking Hands with Saddam Hussein: The U.S. Tilts Toward Iraq, 1980-1984," *National Security Archive Electronic Briefing Book* No. 82, ed. Joyce Battle, (February 25, 2003): <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB82/index.htm>. The failure of Saddam Hussein (and, by proxy, the U.S. government) to accomplish his mission of nipping Iran's militant Islamic government in the bud, led to a somewhat broader strategy that was first "theorized" by Samuel Huntington in "The Clash of Civilizations," *Foreign Affairs*, (Summer 1993). This, in my opinion, is the preamble to the Wolfowitz-Berle project that is now lurking beneath the attempt to create a "permanent war," in the Middle East.
31. For an implicitly contrary example see Perry Anderson, "Force and Consent," (Editorial), *New Left Review* 17, (September/October 2002).
32. See Cyrus Bina, "Globalization: The Epochal Imperatives and Developmental Tendencies," in D. Gupta, ed. *Political Economy of Globalization*, (Boston, MA: Gluwer Academic Press, 1997), pp. 41-58.
33. See Ronald Steel, *Pax Americana*, New York, (1977).
34. For a quick look see Theodore Draper, "American Hubris," in M. L. Sifry and C. Cerf, eds. *The Gulf War Reader*, (New York: Random House, 1991), pp. 40-56.
35. See Melvyn P. Leffler, "The American Conception of National Security and the

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- Beginning of the Cold War, 1945-1948," *American Historical Review*, 89, (April 1984), pp. 346-381; D. F. Fleming, *The Cold War and Its Origin*, 2 vol., (New York: Doubleday, 1961).
36. The 1953 and 1954 coup d'états against Mossadegh in Iran and Arbenz in Guatemala are the two prime examples of American subversion of democracy during the ascending years of Pax Americana. See Stephen Kinzer, *All the Shah's Men: An American Coup and the Roots of Middle East Terror*, (John Wiley & Sons, 2003); David Green, *The Containment of Latin America*, (Chicago: Quadrangle Books, 1971).
37. See Cyrus Bina and Behzad Yaghmaian, "Import Substitution and Export promotion Within the Context of the Internationalization of Capital," *Review of Radical Political Economics*, 20.3, (1988).
38. Bina, "The Rhetoric of Oil," (1993), p. 6. See Murray B. Levin, *Political Hysteria in America: The Democratic Capacity for Repression*, (New York: Basic books, 1971).
39. Many of these land reform programs were neither successful nor adequate for the construction of new social formation. Yet, they proved mightily successful for their irreversible destruction of the old.
40. Cyrus Bina, "Farewell to the Pax Americana: Iran, Political Islam, and the Passing of the Old Order," in H. Zangeneh, ed. *Islam, Iran, and World Stability*, (New York: St. Martin's Press, 1994), pp. 41-74.
41. To be sure, the Wolfowitz-Berle project was in place long before September 11, 2001. See: <http://www.cooperativeresearch.org/organization/profiles/defensepolicyboard.html>
42. White House, *The National Security Strategy of the United States of America*, (September 17, 2002).
43. National Security Decision Directive (NSDD 99), July 12, 1983, November 21, 1983 memo ("Iraqi Use of Chemical Weapons") sent by Jonathan T. Howe to Lawrence S. Eagleburger, December 10, 1983; cable, concerning "Rumsfeld Visit to Iraq," to the State Department from U.S. Interest Section in Iraq; December 21, 1983 cable from U.S. Embassy in U.K. to the State Department concerning Rumsfeld meeting with Saddam Hussein. See Joyce Battle (ed.), "Shaking Hands with Saddam Hussein: The U.S. Tilts Toward Iraq, 1980-1984," *The National Security Archive*, National Security Archive Electronic Briefing Book No. 82, February 25, 2003: <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB82/index.htm>.
44. The National Security Archive, pp. 3, emphasis added.
45. The National Security Archive, pp. 3-4, emphasis added.
46. Hans Blix, *Disarming Iraq*, (New York: Pantheon Books, 2004).
47. The allegation of WMD is turned out to be a ploy, given that the Bush administration was not interested in UN inspections all along. See Blix, (2004).
48. According to BBC, Powell, following his presentation, indicated: "I would call my colleagues' attention to the fine paper that United Kingdom distributed yesterday, which describes in exquisite detail Iraqi deception activities." The British report copied (including the typos) from Ibrahim al-Marashi, "Iraq's Security and Intelligence Network: A Guide and Analysis," *Middle East Review of International Affairs*, 6.3, (Sep. 2002), which has nothing to do with the 2003 allegation of WMD in Iraq.
49. See *Secretary of State Addresses the UN Security Council*, February 5, 2003: <http://www.whitehouse.gov/news/releases/2003/02/20030205-1.html>.
50. Douglas Jehl, "U.S. Report Finds Iraqis Eliminate Illicit Arms in 90's," *The New York Times*, (October 7, 2004), pp. 1, 22.
51. See Richard Clark, *Against All Enemies*, (New York: Free Press, 2004).