

Decline of the American Empire? Global Configurations of Power, The Swindle Economy and the Criminal State

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The world political economy is a mosaic of cross currents: Domestic decay and elite enrichment, new sources for greater profits and deepening political disenchantment, declining living standards for many and extravagant luxury for a few, military losses in some regions with imperial recovery in others. There are claims of a unipolar, a multi-polar and even a non-polar configuration of world power. Where, when, to what extent and under what contingencies do these claims have validity?

Bubbles and busts come and go – but let us talk of ‘beneficiaries’: Those who cause crashes, reap the greatest rewards while their victims have no say. The swindle economy and the criminal state prosper by promoting the perversion of culture and literacy. ‘Investigatory journalism’, or peephole reportage, is all the rage. The world of power spins out of control: As they decline, the leading powers declare “it’s our rule or everyone’s ruin!”

Global Configurations of Power

Power is a relationship between classes, states and military and ideological institutions. Any configuration of power is contingent on past and present struggles reflecting shifting correlations of forces. Structures and physical resources, concentrations of wealth, arms and the media matter greatly; they set the framework in which the principle power wielders are embedded. But strategies for retaining or gaining power depend on securing alliances, engaging in wars and negotiating peace. Above all, world power depends on the strength of domestic foundations. This requires a dynamic productive economy, an independent state free from prejudicial foreign entanglements and a leading class capable of harnessing global resources to ‘buy off’ domestic consent of the majority.

To examine the position of the United States in the global configuration of power it is necessary to analyze its changing economic and political relations on two levels: by region and by sphere of power. History does not move in a linear pattern or according to recurring cycles: military and political defeats in some regions may be accompanied by significant victories in others. Economic decline in some spheres and regions may be compensated by sharp advances in other economic sectors and regions.

In the final analysis, the question is not ‘keeping a scorecard’ or adding wins and subtracting losses, but translating regional and sectorial outcomes into an understanding of the direction and emerging structures of the global power configuration. We start by examining the legacy of recent wars on the global economic, military and political power of the United

States .

Sustaining the US Empire: Defeats, Retreat, Advances and Victories

The dominant view of most critical analysts is that over the past decade US empire-building has suffered a series of military defeats, experienced economic decline, and now faces severe competition and the prospect of further military losses. The evidence cited is impressive: The US was forced to withdraw troops from Iraq , after an extremely costly decade-long military occupation, leaving in place a regime more closely allied to Iran , the US ' regional adversary. The Iraq war depleted the economy, deprived American corporations of oil wealth, greatly enlarged Washington 's budget and trade deficits and reduced the living standards of US citizens. The Afghanistan war had a similar outcome, with high external costs, military retreat, fragile clients, domestic disaffection and no short or medium term transfers of wealth (imperial pillage) to the US Treasury or private corporations. The Libyan war led to the total destruction of a modern, oil-rich economy in North Africa, the total dissolution of state and civil society and the emergence of armed tribal, fundamentalist militias opposed to US and EU client regimes in North and sub-Sahara Africa and beyond. Instead of continuing to profit from lucrative oil and gas agreements with the conciliatory Gadhafi regime, Washington decided on 'regime change', engaging in a war which ruined Libya and destroyed any viable central state. The current Syrian "proxy war" has strengthened radical Islamist warlords, destroyed Damascus ' economy and added massive refugee pressure to the already uprooted millions from wars in Iraq and Libya . US imperial wars have resulted in economic losses, regional political instability and military gains for Islamist adversaries.

Latin America has overwhelmingly rejected US efforts to overthrow the Venezuelan government. The entire world- minus Israel and Washington- - rejects the blockade of Cuba . Regional integration organizations, which exclude the US , have proliferated. US trade shares have declined, as Asia is replacing the US in the Latin American market.

In Asia, China deepens and extends its economic links with all the key countries, while the US 'pivot' is mostly an effort at military base encirclement involving Japan , Australia and the Philippines . In other words, China is more important than the US for Asian economic expansion, while Chinese financing of US trade imbalances props up the US economy.

In Africa , US military command operations mainly promote armed conflicts and lead to greater instability. Meanwhile Asian capitalists, deeply invested in strategic African countries, are reaping the benefits of its commodity boom, expanding markets and the outflow of profits.

The exposure of the US National Security Agency's global spy network has seriously undermined global intelligence and clandestine operations. While it may have helped privileged private corporations, the massive US investment in cyber-imperialism appears to have generated negative diplomatic and operational returns for the imperial state.

In sum, the current global overview paints a picture of severe military and diplomatic setbacks in imperial policies, substantial losses to the US Treasury and the erosion of public support. Nevertheless this perspective has serious flaws, especially with regard to other regions, relations and spheres of economic activity. The fundamental structures of empire remain intact.

NATO, the major military alliance headed by the US Pentagon, is expanding its membership and escalating its field of operations. The Baltic States, especially Estonia, are the site of huge military exercises held just minutes from the principle Russian cities. Central and Eastern Europe provide missile sites all aimed at Russia. Until very recently, the Ukraine had been moving toward membership in the European Union and a step toward NATO membership.

The US-led Trans-Pacific Partnership has expanded membership among the Andean countries, Chile, Peru and Colombia. It serves as a springboard to weaken regional trading blocs like MERCOSUR and ALBA, which exclude Washington. Meanwhile, the CIA, the State Department and their NGO conduits are engaged in an all-out economic sabotage and political destabilization campaign to weaken Venezuela's nationalist government. US-backed bankers and capitalists have worked to sabotage the economy, provoking inflation (50%), shortages of essential items of consumption and rolling power blackouts. Their control over most of Venezuela's mass media has allowed them to exploit popular discontent by blaming the economic dislocation on 'government inefficiency'.

Overall, the US offensive in Latin America has focused on a military coup in Honduras, ongoing economic sabotage in Venezuela, electoral and media campaigns in Argentina, and cyber warfare in Brazil, while developing closer ties with recently elected compliant neo-liberal regimes in Mexico, Colombia, Chile, Panama, Guatemala and the Dominican Republic. While Washington lost influence in Latin America during the first decade of the 21st century, it has since partially recovered its clients and partners. The relative recovery of US influence illustrates the fact that 'regime changes' and a decline in market shares, have not lessened the financial and corporate ties linking even the progressive countries to powerful US interests. The continued presence of powerful political allies - even those 'out of government' - provides a trampoline for regaining US influence. Nationalist policies and emerging regional integration projects remain vulnerable to US counter-attacks.

While the US has lost influence among some oil producing countries, it lessened its dependence on oil and gas imports as a result of a vast increase in domestic energy production via 'fracking' and other intense extractive technologies. Greater local self-sufficiency means lower energy costs for domestic producers and increases their competitiveness in world markets, raising the possibility that the US could regain market shares for its exports.

The seeming decline of US imperial influence in the Arab world following the popular 'Arab Spring' uprisings has halted and even been reversed. The military coup in Egypt and the installation and consolidation of the military dictatorship in Cairo suppressed the mass national-popular mobilizations. Egypt is back in the US-Israel orbit. In Algeria, Morocco and Tunisia the old and new rulers are clamping down on any anti-imperial protests. In Libya, the US-NATO air force destroyed the nationalist-populist Gadhafi regime, eliminating an alternative welfare model to neo-colonial pillage - but has so far failed to consolidate a neo-liberal client regime in Tripoli. Instead rival armed Islamist gangs, monarchists and ethnic thugs pillage and ravage the country. Destroying an anti-imperialist regime has not produced a pro-imperialist client.

In the Middle East, Israel continues to dispossess the Palestinians of their land and water. The US continues to escalate military maneuvers and impose more economic sanctions against Iran - weakening Teheran but also decreasing US wealth and influence due to the

loss of the lucrative Iranian market. Likewise in Syria , the US and its NATO allies have destroyed Syria 's economy and shredded its complex society, but they will not be the main beneficiaries. Islamist mercenaries have gained bases of operations while Hezbollah has consolidated its position as a significant regional actor. Current negotiations with Iran open possibilities for the US to cut its losses and reduce the regional threat of a costly new war but these talks are being blocked by an 'alliance' of Zionist-militarist Israel, monarchist Saudi Arabia and 'Socialist' France.

Washington has lost economic influence in Asia to China but it is mounting a regional counter-offensive, based on its network of military bases in Japan , the Philippines and Australia . It is promoting a new Pan Pacific economic agreement that excludes China . This demonstrates the US capacity to intervene and project imperial interests. However announcing new policies and organizations is not the same as implementing and providing them with dynamic content. Washington 's military encirclement of China is off-set by the US Treasury's multi-trillion dollar debt to Beijing . An aggressive US military encirclement of China could result in a massive Chinese sell-off of US Treasury notes and five hundred leading US multi-nationals finding their investments in jeopardy!

Power-sharing between an emerging and established global power, such as China and the US , cannot be 'negotiated' via US military superiority. Threats, bluster and diplomatic chicanery score mere propaganda victories but only long-term economic advances can create the domestic Trojan Horses need to erode China 's dynamic growth. Even today, the Chinese elite spend hefty sums to educate their children in "prestigious" US and British universities where free market economic doctrines and imperial-centered narratives are taught. For the past decade, leading Chinese politicians and the corporate rich have sent tens of billions of dollars in licit and illicit funds to overseas bank accounts, investing in high end real estate in North America and Europe and dispatching billions to money laundering havens. Today, there is a powerful faction of economists and elite financial advisers in China pushing for greater 'financial liberalization', i.e. penetration by the leading Wall Street and City of London speculative houses. While Chinese industries may be winning the competition for overseas markets, the US has gained and is gaining powerful levers over China 's financial structure.

The US share of Latin American trade may be declining, but the absolute dollar worth of trade has increased several-fold over the past decade.

The US may have lost right-wing regime clients in Latin America, but the new center-left regimes are actively collaborating with most of the major US and Canadian mining and agro-business corporations and commodity trading houses. The Pentagon has not been able to engineer military coups, with the pathetic exception of Honduras, but it still retains its close working relations with the Latin American military in the form of (1) its regional policing of 'terrorism', 'narcotics' and 'migration', (2) providing technical training and political indoctrination via overseas military 'educational' programs and (3) engaging in joint military exercises.

In sum, the structures of the US empire, corporate, financial, military and political-cultural, all remain in place and ready to regain dominance if and when political opportunities arise. For example, a sharp decline in commodity prices would likely provoke a deep crisis and intensify class conflicts among center-left regimes, which are dependent on agro-mining exports to fund their social programs. In any ensuing confrontation, the US would work with and through its agents among the economic and military elite to oust the incumbent regime

and re-impose pliant neo-liberal clients. The current phase of post-neo-liberal policies and power configurations are vulnerable. The relative 'decline of US influence and power' can be reversed even if it is not returned to its former configuration. The theoretical point is that while imperialist structures remain in place and while their collaborator counterparts abroad retain strategic positions, the US can re-establish its primacy in the global configuration of power.

Imperial 'roll-back' does not require the 'same old faces'. New political figures, especially with progressive credentials and faint overtones of a 'social inclusionary' ideology are already playing a major role in the new imperial-centered trade networks. In Chile, newly elected "Socialist" President Michelle Bachelet and the Peruvian ex-nationalist, President Ollanta Humala, are major proponents of Washington's Trans-Pacific Partnership, a trading bloc which competes with the nationalist MERCOSUR and ALBA, and excludes China.

In Mexico, US client President Enrique Peña Nieto is privatizing the 'jewel' of the Mexican economy, PEMEX, the giant public oil company - strengthening the Washington's hold over regional energy resources and increasing US independence from Mid-East oil. Colombian President Santos, the 'peace president', is actively negotiating an end to guerrilla warfare in order to expand multinational exploitation of mineral and energy resources located in guerrilla-contested regions, a prospect which will primarily benefit US oil companies. In Argentina, the state oil company, Yacimientos Petroliferos Fiscales (YPF) has signed a joint venture agreement with the oil giant, Chevron, to exploit an enormous gas and oil field, known as Vaca Muerte (Dead Cow). This will expand the US presence in Argentina in energy production alongside the major inroads made by Monsanto in the powerful agro-business sector.

No doubt Latin America has diversified its trade and the US share has relatively declined. Latin American rulers no longer eagerly seek 'certification' from the US Ambassador before announcing their political candidacy. The US is totally alone in its boycott of Cuba. The Organization of American States is no longer a US haven. But there are counter-tendencies, reflected in new pacts like the TPP. New sites of economic exploitation, which are not exclusively US controlled, now serve as springboards to greater imperial power.

Conclusion

The US economy is stagnant and has failed to re-gain momentum because of its pursuit of 'serial' imperial wars. But in the Middle East, the US decline, relative to its past, has not been accompanied by the ascent of its old rivals. Europe is in deeper crisis, with a vast army of unemployed, chronic negative growth and few signs of recovery for the visible future. Even China, the new emerging global power, is slowing down with its growth falling from over 11% to 7% in the current decade. Beijing faces growing domestic discontent. India, as well as China, are liberalizing their financial systems, opening them up to penetration and influence by US finance capital.

The main anti-imperialist forces in Asia and Africa are not composed of progressive, secular, democratic and socialist movements. Instead, the empire is confronted by religious, ethnic, misogynist and authoritarian movements with irredentist tendencies. The old secular, socialist voices have lost their bearings, and provide perverse 'justifications' for the imperialist wars of aggression in Libya, Mali and Syria. The French Socialists, who had opposed the Iraq war in 2003, now find their President Françoise Hollande parroting the brutal militarism of the Israeli warlord, Netanyahu.

The point is that the thesis of the 'decline of the US empire' and its corollary, the 'crises of the US ' are overstated, time bound and lack specificity. In reality, there is no alternative imperial or modern anti-imperial tendency on the immediate horizon. While it is true that Western capitalism is in crisis, the recently ascending Asian capitalism of China and India face a different crisis resulting from their savage class exploitation and murderous caste relations. If objective conditions are 'ripe for socialism', the socialists - at least those retaining any political presence- are comfortably embedded with their respective imperial regimes. The Marxists and Socialists in Egypt joined with the military to overthrow an elected conservative Islamist regime, leading to the restoration of imperialist clientelism in Cairo . The French and English 'Marxists' have supported NATO's destruction of Libya and Syria . Numerous progressives and socialists, in Europe and North America, support Israel 's warlords and/or remain silent in the face of domestic Zionist power in the executive branches and legislatures.

if imperialism is declining, so is anti-imperialism. If capitalism is in crisis, the existing anti-capitalists are in retreat. If capitalists look for new faces and ideologues to revive their fortunes, isn't it time the anti-imperialists and anti-capitalists did likewise?

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