

# Global Economic, Political and Military Configurations

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Theme: <u>Global Economy</u>, <u>US NATO War</u>
Agenda

#### Introduction

Mapping the emerging global economic, political and military configurations requires that we examine regions and countries along several dynamic policy axis:

Capitalist versus anti-capitalist, Neoliberal versus anti-neoliberal, Austerity versus anti-austerity, War command centers and war zones, Political change and socio-economic continuity, New Order and political decay

Though many of these dimensions overlap, they also highlight the complexity and influence of local and national versus global power relations.

We will first identify and classify the regimes and emerging movements, which fall into each of these categories, and then proceed to generalize about current 'global' trends and future perspectives based on approximations of the real correlation of forces.

## **Capitalism versus Anti-Capitalism**

Capitalism is the only economic system throughout the world. However, it has and continues to experience periods of severe crisis, stagnation and breakdown. Several regimes continue to declare themselves 'socialist' (like Cuba, Venezuela and China) even as they pursue large scale foreign investments, establish free trade zones and provide incentives to stimulate expansion of the private sector.

Anti-capitalist parties, movements and trade unions have emerged and some still engage in large-scale class-struggles. But others have capitulated, like Syriza in Greece, and Refundacion Comunista in Italy, which renounced any anti-capitalist pretense and embraced neo-liberal variants of capitalism.

Anti-capitalist tendencies are at best implicit in the mass working class strikes occurring in China, India and South Africa and explicitly by minor parties in Europe, Asia, South America and elsewhere. Much more significant are the conflicts and struggles between variants of capitalism: neo-liberal and anti-neoliberal regimes and movements; and between austerity and anti-austerity regimes and movements.

In military terms, conflicts can best be understood by differentiating between 'war (command) centers' in the imperial countries and 'war zones'.

#### **Neoliberal and Anti-Neoliberal Correlations of Power**

The balance of power has shifted toward pro-neoliberal regimes over the past two years. Even where political regime changes have occurred, they have not been accompanied by any significant shifts toward anti-neoliberal policies.

Latin America has witnessed the biggest shift toward hard-right neoliberal regimes and policies. Rightwing extremists won presidential elections in Argentina and legislative elections in Venezuela. In Brazil the so-called 'Workers Party' regime has embraced a neoliberal austerity program. In Bolivia, the social democratic Movement to Socialism lost the recent referendum allowing a 3<sup>rd</sup> term re-election for President Evo

Socialism lost the recent referendum allowing a 3<sup>rd</sup> term re-election for President Evo Morales. The organized forces that defeated the referendum were predominantly hardline neo-liberals.

Elsewhere, in Latin America political changes, from hardline neoliberal presidents to ostensible social democrats (Chile and El Salvador) and nationalists (Peru), simply led to the continuation of free market economic policies. Even socialist regimes, like Cuba, have introduced market incentives and free trade zones for foreign multi-nationals.

In the Middle East and North Africa, popular revolts against incumbent neoliberal despots were violently suppressed. Recycled neoliberal military autocrats and politicians returned to power in Egypt, Tunisia, Israel, Iraq and Yemen.



Iran, under the recently elected

'reformist' Rohani regime, has opened the oil and gas fields to foreign capital and captured about 40% of the legislative deputies in the February 2016 election.

In Asia, neoliberals, who took power in recent elections in India and Indonesia, are moving to de-regulate and promote foreign multi-national capital penetration. China and Russia have moved to facilitate financial capital flows – resulting in multi-billion-dollar capital flight and the relocation of new billionaire families to Canada, England, the US and other Western countries.

In Europe, Scandinavian and Low Countries, Social Democrats have embraced and deepened neoliberal policies even as they lose support to rightwing anti-immigrant parties.

In the Baltic states of Estonia, Latvia and Lithuania hardline neoliberals have imposed harsh austerity programs provoking protests of no great political consequences, as the opposition

has promoted the same policies.



Russia, under Putin, has succeeded in the reconstruction of the state and economy after the destructive policies of Gorbachev and Yeltsin. But apart from ending the flagrant pillage of the economy by a gangster-ridden oligarchy, Russia is still an oil-dependent state in which billionaires invest and disinvest with facility.

Greece, which became a bankrupt vassal state under the rule of corrupt rightwing parties, experienced an electoral revolt in January of 2015, electing a supposedly leftist "antineoliberal" party. Syriza under the leadership of Alexander Tsipras embraced a brutal European Union – IMF austerity program plunging Greece deeper into debt, stagnation, poverty and vassalage.

In Portugal, an anti-austerity alliance between the Socialist (social democrats) and the Communist and Left Bloc parties formed a new government. However, under pressure from the EU, it capitulated, surrendering its tepid anti-austerity proposals.

In Canada, the opposition Liberal Party defeated the Conservatives, offering cosmetic changes and promptly reneged on its promises to end austerity.

In sum, the neoliberal- austerity onslaught provoked mass electoral opposition that led to political changes, bringing to power parties and leaders who embraced almost identical policies! In some cases, the changes deepened neoliberal policies by extending austerity measures; in other cases, they modified some of the restrictions on salaries and social expenditures.

The February (2016) elections in Ireland are a case in point: The neoliberal austerity enthusiasts in the governing coalition (*Fine Gael* and the *Labor Party*) were defeated and the *Fianna Fáil* re-emerged as a leading party, even though it had brought about the economic crisis and breakdown! The only exception to this revolving door politics was an increase in the vote for the national-populist Sinn Fein Party and a scattering of antineoliberal and left parties. In the end, the two neoliberal parties are likely to form a coalition regime.

In Europe, the main anti-neoliberal, anti-austerity parties are rightwing-conservatives who have won election in Poland and Hungary and opposition parties like the National Front in France.

The major exception is in Spain where a leftist party, *Podemos*, has embraced an antiausterity program, even as it offered to form a coalition government with the neoliberal *Socialist Party*. The coalition regime never came about.

The return, continuation and triumph of neoliberal and austerity parties and policies occur despite a deepening economic crisis and growing popular hostility.

In the Middle East, North Africa, the Baltic and Eastern European states, Egypt, Tunisia,

Lithuania and Poland, repression has undercut leftist opposition.

Secondly, nationalist parties and conservative regimes have pre-empted attacks on austerity as is the case in France and Hungary and have marginalized the Left.

Thirdly, international tensions, wars, coups and military build-ups in Ukraine, Syria, Yemen, Turkey and Southeast Asia have temporarily undercut popular opposition to neoliberal and austerity programs.

In the Ukraine, the US-backed neoliberal regime has virtually collapsed and is widely discredited. The problem is that the most aggressive opposition comes from the neo-Nazi Right!

In the short-run, international conflicts have temporarily distracted popular opposition to neoliberalism. However, over time, the wars, coups and military destruction are exacerbating the domestic crisis, as refuges flood and threaten to disintegrate the European Union.

EU sanctions toward Russia over the Ukraine exacerbated the economic crisis.

The Saudi-Turkey-US-EU-sponsored terror war against Syria and its allies heightens tensions and dampens investment in the region.

In other words, neoliberal/austerity regimes are threatened less by internal opposition than they are by the expansion of 'war zones', emanating from 'imperial war centers'.

#### **War Centers and War Zones**

The economic and political configurations and divisions, which we have described, emphasize the varieties of capitalist regimes, the advance of neoliberalism and the emergence of variations among capitalists (austerity versus anti-austerity). US and EU militarism has deepened cleavages between emergent (China) and re-emergent (Russia) capitalist powers.

The political-economic map and the correlation of forces are deeply affected by military conflicts.

Wars, coups and insurgencies profoundly impact the scope, depth and character of socioeconomic systems, above and beyond the dichotomies stated above.

Essentially the global military divisions can be understood through identifying war (imperial command) centers and war zones.

War centers are countries and regimes, which plan, organize, fund and execute military action against other countries. The war centers usually are run by imperialist regimes, which span the globe with military bases in order to defend and promote financial and multinational corporation domination in other countries.

The war centers, form alliances, but also compete among themselves; they have *follower regimes* providing bases, mercenary soldiers and political support, even to the point of sacrificing their own economic goals in order to serve the dominant war centers. Follower regimes participate only at the periphery of decision-making.

War centers have global interests (US, EU), regional interests (Saudi Arabia and Israel – the Middle East) and local interests (Ukraine – Crimea).

The war centers with global interests have clearly defined adversaries: They target emerging military and economic competitors, like Russia and China; nationalist regimes, like Venezuela, Syria and Iran; popular anti-imperialist movements (Hezbollah in Lebanon) and Islamist anti-Western movements (Taliban in Afghanistan). The war centers, at the same time, correlate with neoliberal regimes and destroy or undermine lucrative markets and prosperous sites for investments by expanding the war zones.

War zones, defined by the US and the EU, have included Iraq, Syria, Afghanistan, Libya, Somalia, Ukraine and earlier Yugoslavia. The ensuing wars succeeded in ousting incumbent regimes and splintering target countries, but failed to consolidate political control and, above all, destroyed hundreds of billions of dollars in investment, trade, financial and resource extraction opportunities.

The war centers have engaged in three levels of military engagement: (1) High intensity, signifying *long-term large-scale warfare* involving massive expenditures and commitments of troops such as Iraq and Afghanistan; (2) Middle level intensity, involving US-EU air wars and the use of proxy mercenaries as in Syria, Ukraine and Libya; and (3)Low intensity wars providing military support to regional allies, e.g. Israel's onslaughts against the Palestinians, Saudi Arabia's assault on Yemen and Turkey's war against the Kurds in Iraq, Syria and Kurdish regions of Turkey.

The war centers in the EU and US have differences over China. The EU favors market expansion, while the US seeks to intensify the military encirclement of China.

Likewise, Europe and the US have differences over sanctions against Russia: the economic elite in the European Union, with billions of Euros invested in Russia is divided. Meanwhile the US mobilizes its clients in Poland and the Baltic countries to escalate military operations on Russia's borders.

The growth of military tensions reflects both economic competition (US-EU versus China) and military expansion (US-EU coups in Ukraine).

### Conclusion

The growth and advance of neoliberal and austerity regimes are largely the outcome of domestic or internal class conflicts. These, in turn, are the result of political-electoral contests where the imperial powers play an indirect role (mostly financial/propaganda).

In other words, the advance of neoliberal capitalism is not a result of imperial wars. It conquers because of its electoral advances and because of the defeats, retreats and capitulations of the trade unions and leftist political parties.

The limits of neoliberalism have been clearly set by destructive wars from the imperial military centers; the sanctions imposed on independent capitalist countries; and the alliances with destructive, aspiring regional hegemons (Israel, Turkey and Saudi Arabia).

The prolonged war economy and the neoliberal policies of the imperial centers have concentrated wealth, undermined economic growth, provoked downward social mobility and led to massive population displacement in war zones.

Widespread malaise among voters subject to the destabilization and disintegration of the European Union and the brutal concentration of wealth, power and privilege within the US has led to the emergence of social democratic and rightwing nationalist mass electoral movements.

High intensity warfare and prolonged austerity and social polarization have created a chaotic political universe and a multitude of diverse conflicts within the capitalist system.

If the anti-capitalist left is nowhere near overthrowing the system, the system may self-destruct, in a war of all against all: the great sow devouring her own progeny.

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