

The Empire in the Year 2005

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World developments in 2005 will be determined by the major events and tendencies in 2004.

First and foremost, 2004 demonstrated in the most dramatic and definitive manner that the US imperial military machine could be defeated.

The Iraqi resistance has proven that the US Empire is not invincible. With over 1500 combat deaths, close to 25,000 disabled soldiers and over 35,000 suffering severe “mental illnesses”, the US occupation army is incapable of bringing the colonial war to a victorious conclusion. The US colonial forces and their satellites face over 100 attacks a day throughout the country. Reliable reports from returning soldiers suggest that demoralization and disaffection is all pervasive. In contrast, the Iraqi resistance is growing, as thousands of new volunteers enter into combat – 95% of which are Iraqis.

The Iraqi resistance and the US weakness means that it is unlikely that the US will launch a major land war in any major ‘enemy’ country in 2005 – (Iran, Syria, Venezuela). The declining fortunes of the US colonial war and the increased withdrawal of satellite forces (Hungary, Poland, Ukraine) will provoke a major debate in 2005. Several leading Democrats, including Hilary Clinton, Republicans and Zionists are calling for deepening the war and calling up more troops – up to 100,000. Most of the Congressional “liberal” critics of Rumsfeld are more bellicose, more militarist: 2005 will see greater US military involvement in Iraq, more casualties and increasing opposition from the families of veterans, returning soldiers and “average Americans.”

During early 2005 the US economy will continue to expand based on external financing and speculative earnings. The precipitous decline of the dollar in 2004 will accelerate in 2005, leading to greater flight from dollar reserves. By mid-2005, we can expect a major crisis in the dollarized economy, a severe decline in US stocks and a general sell-off of devalued dollars by Japan, and possible China. This is likely to provoke a general economic crisis, which will weaken the domestic foundations of the US Empire.

Elite conflicts within the US will intensify on an unprecedented scale. The “new militarists” (liberal Democrats, neo-Conservatives and Zionists) will confront the Bush/Rumsfeld “weakness” in the Middle East. The professional military and security forces (FBI) will challenge Zionist/Neo-Conservative control of Pentagon policy. Arrests and trials of leaders of the major Israeli lobby, AIPEC, accused of spying for Israel will take place and may provoke divisions among the major Jewish organizations. Equally important, there will be heightened conflict between the Neo-Conservative ideologues in the Pentagon and major US multinationals and bankers over China policy in 2005. As China expands, its economic reach overseas, securing access to energy and raw material resources, the Neo-Conservatives

(and their “human rights” allies) will demand a more aggressive political and military confrontation. In contrast, the realists on Wall Street realize that China’s purchase of US bonds is crucial in preventing a collapse of the dollar; US investments in China total over \$300 billion dollars and fifty percent of Chinese exports to the US are by US multi-national corporations.

The external military and economic crisis and the inter-elite conflicts will stimulate an increase in social protest from a revived anti-war movement. However the trade union bureaucracy will remain an isolated, impotent, inactive force, representing only 8% of the private sector. Most “progressive intellectuals” will continue to protest the war in Iraq but will still refuse to confront the “new militarists” especially among the Pentagon Zionists and liberal war-mongers, like Clinton.

Europe and China will continue to compete and collaborate with the US Empire, gaining advantages with US adversaries like Iran and Syria, and competing for control over strategic oil and raw material sources. In 2004 China signed important investment and trade agreements with Brazil, Argentina, Venezuela, Bolivia, Chile, Cuba and Russia which guarantee large-scale, long-term supplies of energy, minerals and agricultural products, and entry into their industrial and consumer markets. Europe and Japan are investing heavily in Iran, Russia, Libya and Africa to secure energy supplies. This inter-imperialist competition deepens Latin America’s dependence on its traditional role in the international division of labor as a supplier of raw materials and importer of industrial goods. This is particularly the case with China, which is mainly an investor in non-renewable extractive industries to fuel its industrial economy. The Latin American agreements with China, while diversifying markets, follow the exact colonial pillage, which was introduced by Spain, expanded by the US and is now practiced by China’s newly emerging global empire.

In Latin America, the US will continue to focus on Colombia and a political-military victory against the popular guerrilla forces. They will increase the US mercenary military presence, exercise greater direct supervision of elite Colombian troops and deepen collaboration with Ecuadorian, Venezuelan and Brazilian defense ministries and security forces to tighten the external “encirclement” of the guerrillas while pursuing a murderous internal policy of emptying the countryside of peasants. US multi-national oil companies will intensify their presence in Latin America, especially in Mexico, Venezuela, Argentina and Ecuador, reaching major “joint” exploration agreements, highly favorable to the US.

Politically the US will continue to pressure the Chavez regime in Venezuela and the Kirchner government in Argentina to move toward greater accommodations on domestic and foreign policies. In both regimes, US covert influence is present in the highest spheres of the armed forces, foreign ministries and security forces. The US can be expected to conduct a “two track policy” of supporting the extreme right on the outside (Macri, Menem and Murphy in Argentina and the pro-coup Convergencia in Venezuela) and the so-called “moderates” within the regimes.

The US will continue to give strong support to the neo-liberal regimes in Brazil, Bolivia, Peru and Ecuador but will also work closely with the neo-liberal opposition.

Given the overall weak military position of the US due to the situation in Iraq, the US will work even closer with the Latin American military and security forces to repress rising political opposition.

Washington will focus on pressuring Argentina, Brazil and Venezuela to weaken their commercial and security ties with Cuba either via “inter-American” agreements or via “security co-operation with the US client regime in Colombia.

The main challenge to the US and its political clients in Latin America in 2005 will come from a multiplicity of new and renewed forces: Organized workers in Argentina; workers and unemployed workers and peasant groups in Bolivia; the new trade union ‘CONLUTA’ in Brazil along with militant sectors of the MST and sectors of the public employees unions; the revived Indian movement CONAIE in Ecuador and an expected major counter-offensive by the popular and guerrilla movements in Colombia. In the electoral movement arena, Lopez Obrador’s candidacy for President and the formation of a “transversal” independent alliance of workers, peasants and civic groups could lead to a heightened political polarization in Mexico with important political implications. In Venezuela there is likely to be greater polarization between the popular base of the Chavista movement and important sectors of the “moderate” leadership.

The year 2005 will generally witness the “end of illusions” about the “center-left” electoral alliances, new political polarizations in Venezuela, Brazil and Mexico. Washington, tied down by its Middle East and Asian Wars, will rely on political clients, like Lula and Uribe to carry the ball and, in an emergency, the local security forces.

As the New Year begins however the military and economic prospects for the US Empire are worse than a year ago. We can foresee a “New Year” of deepening wars, economic crisis and growing direct action.

In Iraq, like in Vietnam, more defeats will lead to greater escalation of the war – more soldiers, more arms, greater use of torture and generalized massacres and destruction of Iraqi society. US total war will turn a national liberation struggle into a “war of the entire people.”

US client regimes, increasingly isolated at home and sensing a major defeat in Iraq, will increasingly abandon the US. In 2005, puppet regimes, elections will come and go, but the war will grind on more ferocious than even – forcing the US public to face the reality that their government can not, will not win: that they, the people are paying the costs for a losing war. But Washington will not retreat: the civilian militarists have invested all their ideological beliefs in the US as an invincible, unipolar power; the Pentagon-Zionists are committed to establishing unchallenged Israeli power in the region even if it means weakening the US Empire in the rest of the world. The political class (Democrats and Republicans) and most generals believe that a withdrawal – a defeat – will encourage other countries to challenge US world supremacy. The logic of Washington for 2005 is that the War must continue, victory must be secured – no matter what the cost in human lives, Iraqi or US. The treasury and the budget is hostage to the Logic of War: to defend the image of imperial invincibility, the empire will be brought to its knees.

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