

**Theorizing Post-Cold War US Imperial Strategies
in the Middle East: Integrating the Region
into the Capitalist World Market**

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An essential part of any plan to establish freedom in Iraq should be a commitment to a free market and the institutions that support it, including a commitment to free trade. Iraqis must enjoy a secure right to property, a stable currency, decontrolled prices, the rule of law and contract, and the freedom to engage in business, at home and through international trade.¹

While the establishment of monopoly control over Middle Eastern oil and energy² is often posited as the main motivation for the American invasion of Iraq, the role of the US within the current international system and the extent of its military might and presence around the world suggests that the US has other grander designs for the Middle East. More specifically, using the pretext of 9/11, the US has embarked on a project of disciplining the Middle Eastern states to follow and respect the logic of the capitalist market.³ This goal of securing the world for capital flows, the US believes, can be achieved once democracy, the rule of law, and free market mechanisms are firmly put in place in the disconnected regions⁴ of the world. Although the nature of US imperialism is multifaceted (economic, cultural, ideological), I intend to explore mainly the economic aspect of US imperialist rule through an examination of how such imperialism deepens the integration of Middle Eastern societies into the capitalist world market.

To get a grasp of the current nature of US imperial rule and its plans for the Middle East, it is important to historicize and contextualize post war relations between the US and Middle East within an expanding and changing capitalist world market. I argue that while throughout the cold war period, US imperialism in the Middle East took the form of direct and indirect intervention with the goal of preventing independent, non-capitalist development, the post-Cold War project of US imperialism involves an active remaking of Middle Eastern states. In order to achieve security for capital flows in the region, the US aims to transform the political, economic, and juridical landscapes of the region to integrate fully these societies into the global market. This shift in American policy has come as a response to the rising threats from different forms of

¹ This excerpt is from a piece produced by the Cato Institute. The article argued that essential to prosperity and peace in Iraq and the Middle East is the establishment of free-market mechanisms, at the core of which lies property rights. While the rhetoric of the Bush administration tends to emphasize the need for political reform, policy think tanks such as the Cato Institute expose the real objectives of the reconstruction project in Iraq:

Much has been written about the need for political reform in the Arab world, but it also desperately needs economic reform. The Arab world's share of global trade and foreign investment has been declining in the last two decades. Outside of oil, Arab countries export little that the rest of the world is willing to buy. With a few exceptions, barriers to trade and foreign investment remain high. There are more McDonald's franchises in the tiny Netherlands than in all of the Arab world. (Griswold, Daniel T. *Win the Peace in Iraq through Free Trade*. 25 April 2003. <http://cato.org/research/articles/griswold-030425.htm>.)

² John S. Duffield. "Oil and the Iraq War: How the United States could have expected to benefit, and might still," *The Middle East Review of International Affairs*, Vol. 9, No.2, article 7, June 2005. <http://meria.idc.ac.il/>. It is also noteworthy that United States was the largest importer of Iraqi oil as recently as 2001, importing 42.6 percent of Iraq's crude oil. Online source: <http://www.tradeport.org/countries/iraq/01grw.htm>.

³ Peter Gowan. *Neoliberal Cosmopolitanism*. *New Left Review* II, no. 11 (2001).

⁴ Barnett, Thomas. *The Pentagon's New Map*, US Naval War College, March 2003.

resistance emerging within Middle Eastern societies. An examination of the history of the region is instructive in telling us that such a design will create further instability to capital flows given that the designs of the US, despite being enveloped in the language of freedom and democracy, cannot resolve the contradictions arising from the liberalization of the region. The Middle East, while of great economic value to the US and to transnational capital, poses the greatest risk to American imperial designs given that the US has not been able to achieve an ideological hegemony in this region. In the absence of redistributive reforms, and with an increase in austerity measures, we will continue to witness protests and contestation of not only US imperialism, but also of the local states in the region.

In this paper, I argue that the shift in the US policy is an indication of active US interest in transforming the existing social relations in the Middle East in order to integrate the region fully into the capitalist world market. Secure and sustained capital accumulation requires enforcement of contracts, the rule of law and the defence of and respect for private property. Hence, the project of the US in the Middle East entails the institutionalization of liberal rights for capital accumulation whereby popular dissent and protest would become neutralized through their absorption in formal political institutions.⁵ In other words, the Middle East is set to embrace crucial elements of a liberal democratic system whereby we might see a remaking of the Middle Eastern political, economic, and judicial maps.⁶ Besides giving US corporations access to its massive oil reserves and reconstruction funds,⁷ Iraq plays an important role as part of the larger strategic goals of the US in the Middle East.

I will conclude by critically analyzing US imperial rule in the region. While historically empires have displayed many similar traits, the American empire differs from all previous empires. First, unlike past empires, it has not relied on direct territorial rule (even in the case of Iraq, as it returned sovereignty to the people of Iraq last year), but has rather maintained its rule through the establishment of institutions (such as the World Trade Organization) that have locked states into a set of US established rules. Second, relying on these intuitions, it has been attempting to establish and maintain a formal separation of the economic sphere

⁵ This is obvious in the US's push towards establishing regular, multi-party, and free elections. Clearly, the American idea of freedom is a liberal one whereby citizens, through the electoral process choose their rulers. It is hoped that such a process would radically reduce the instances of popular unrest and protest in the region. It is yet to be seen if such a design is realizable and if that is the answer sought by the poor and unemployed in the Middle Eastern societies.

⁶ It is my contention that behind the rubric of democratization lies an agenda of implanting the roots of liberal democratic institutions with the goal of facilitating accumulation and capital flows. It is only through such integration that the US hopes to secure the Middle East and harness the political unrest that has marked the region since the end of WWII. In attempting this, the US and their allies ignore the historical root causes of the birth of liberal institutions in their own societies.

⁷ According to one research unit, "The total value of Iraq's foreign contract awards could reach \$1.1 trillion, according to the International Energy Agency's *World Energy Outlook*." (*Behind the War in Iraq* is adapted from *Behind the Invasion of Iraq*, by Research Unit for Political Economy, Monthly Review Press, 2002.

from the political sphere, which has been increasingly taking a universal and global form, especially under the new imperial strategies of the Bush administration.

This, I would argue is the grand design of the US for the Middle East, whereby guarantees of security for private property, private investment, and the rule of capital will be achieved through institutionalizing liberal democracy. While it remains the goal of the US to achieve this degree of peace, order, and security for capital investment and market expansion, one cannot ignore the neo-liberal contradictions that have been unfolding in the region in the last twenty-five years. It is this complex dialectical relationship that needs further analysis and discussion. Although I also briefly touch on insecurities generated in the region due to the range of reforms that are prescribed for Middle Eastern societies, it is beyond the scope of this paper to discuss that aspect of US imperialism in detail.

Theoretical Framework

A Marxian analysis would start by examining the process of expansion of the capitalist world market. Integration into the world market does not take one universal form in all societies as capital accumulation can only proceed where an uneven and interdependent set of socio-economic arrangements link different societies into the web called the world market. Hence, when Middle Eastern states obtained their independence in the post WWII period, they went through a period of protectionism, struggling to build their economies independent of the demands generated by the world market. However, such attempts were abandoned as the costs of independent development projects became unsustainable due to the contradictions arising from state-led development strategies.⁸

This said, one cannot assume that such development was not influenced by the US and other capitalist interests that had stakes in maintaining the global economic order.⁹ In fact, in the role of market facilitator and global gendarme, the US played an important role in influencing the uneven integration of the decolonized Middle Eastern states into the global economy in the post WWII period.¹⁰ Since the 1970s, statist

⁸ Samir Amin (1977) and A. G. Frank (1969) have argued that development in the South is inherently marked by a dependence on the North whether it is for need of capital or technology. They also argued that the North would prevent any attempts of technological development in the South, thanks to the acquiescence of the local ruling elites. See Ian Roxborough, *Theories of Underdevelopment*, 1979.

⁹ Berch Berberoglu, *Turmoil in the Middle East*, 1999.

¹⁰ The US prevented an independent path of development in the Middle East by intervening in the affairs of different states, both militarily and economically. During the Cold War, the rubric of containment guided US policies in the Middle East where the US intervened in many of the Third World states who attempted to opt out for protectionist, nationalist or populist state-led development (see William Blum. *The CIA: A forgotten History*. London: Zed Books, 1986). There is sufficient academic research that has looked into US interests in the Middle East since the fall of the Ottoman Empire at the beginning of the twentieth century (Berberoglu 1999; John A. DeNovo 1963).

policies in the Middle East became the target of attacks of not only local capitalists in the context of the crisis of ISI, but also of international financial institutions, at the behest of US policy makers and MNCs. Let us examine some of the important developments of the 1970s which had implications for Middle Eastern states. It was in the late 1960s when signs of stress began to appear as possibilities of accumulation had reached their limits. This led to a crisis or rather sharp downturn in the global economy in the 1970s, which was followed by a series of onslaughts by capitalists in the North (i.e., attack on the state sector, pressures on labour, demands for flexibility of both prices and wages). Although it is not easy to take an account of clashing interests in the North here, it suffices to say that capital was led to explore new horizons where it could realize itself easily.

In the 1970s, there began a new phase of accumulation thanks to the deregulation and internationalization of finance. New opportunities in the Third World awaited capitalists in the form of new markets. Hence, a new era of accumulation began with new ways of exploiting labour and resources across the Third World (commodity markets, investment markets, and money markets). As T. H. Cohn remarks, by the late 1970s, protectionist policies were being abandoned in the South due to general global economic crises, where the South began a reconciliatory stance towards MNCs.¹¹ It was in this context that the North and the South began competing for foreign direct investment (FDIs). Liberalization became the main strategy of governments across the world, all in the hope of attracting foreign investors.

In the 1980s, a further process of value transfer intensified when the South began repaying interests on their loans. Responding positively to the demands of the IFIs and US government, Middle Eastern states began restructuring of their economies. Given the political unrest faced by US imperialism, both because of US friendly states in the Middle East but more importantly as a response to the dismantling of the public sector and the rising unemployment and overall discontent with the injustices of the global economy, it became pressing for the US to stabilize conditions for accumulation. Hence began the series of sanctions on Middle Eastern states along with open threats: respect the rules of the free market and good governance or face retribution by the US. While on the one hand the Middle East represented a threat to global accumulation and capitalism in general, on the other hand it represented opportunity for accumulation, if the political unrest could be harnessed in time. This point holds precisely at a time when in the late 1990s the economic bubble burst and capitalists began scrambling for new venues to valorize their capital. I would argue that such a theorization can explain the role of the US not only in Iraq and Afghanistan but also in the rest of the Middle East. It also allows us to begin a discussion of a capitalist imperialist state within a larger capitalist

¹¹ T. H. Cohn. *Global Political Economy*, Second Edition, New York: Longman, 2003, pp. 336.

world market which recreates itself by destroying other forms of accumulation/modes of production that hinder the expansion of the world market.¹²

US Interests in the Middle East: New or Old?

Although mainstream scholars have used the events of 9/11 to periodize the shift in American policy towards the Middle East,¹³ I would argue that US interests in this region date at least as far back as the mid- twentieth century when the United States, at the twilight of British imperialism, began to consolidate its power as a world empire.¹⁴ A better understanding of US interests in both Afghanistan and Iraq and more generally in the Middle East can be achieved by examining the role of the US state in the inter-state system of the post-war period and its relation with, and location in, the capitalist world market. I will argue that in the process of the expansion of the capitalist world market, since the end of WWII, the United States has played a crucial role in shaping the global division of labour both through its military power, but predominantly through its financial and institutional tools created in the immediate post WWII period and MNCs.¹⁵

It was these tools that generated the US the capacity to determine, albeit partly, the developmental path of the Middle East.¹⁶ It was more the direction of development rather than the degree of development that concerned the US in the post WWII period. However, as soon as crisis of accumulation alarmed US capitalists, efforts were made to resolve such crisis by exploring possibilities of investment in the South, especially during the crisis of ISI. Thus began the era of internationalization of production, in the form of

¹² David Harvey (2003) has argued that capitalism constantly resorts to forms of primitive accumulations. Soederberg has used this concept to identify the transnational debt architecture as a form of primitive accumulation that facilitates the flow of surplus from South to North in the form of debt repayment. Soederberg, Susanne. 'The Transnational Debt Architecture and Emerging Markets: the politics of paradoxes and punishment,' in *Third World Quarterly*, Vol. 26, No. 6, 2005, pp. 930-31.

¹³ For a detailed discussion of critics and proponents of the current US Empire See Bryan Mabee (2004).

¹⁴ Many scholars of the Middle East have documented the historical role of the US in the region. See Roger Owen and Sevket Pamuk (1999), Tareq Ismael (2001), Fred Halliday (2005) on some insightful accounts of the role of USA in the shaping of the Middle East and its integration into the global market.

¹⁵ Leo Panitch and Sam Gindin have characterized this phase of American empire as the '*informal American Empire*' whereby the US state became internationalized in its power reach and in its global responsibilities (*Global Capitalism and American Empire*. London: Merlin Press, 2003).

¹⁶ Soederberg (2004) refutes the argument that current US foreign policy is a reaction to 9/11. Historically framing the role of USA in facilitating and expanding the reach of the capitalist world market, she argues that since the end of WWII, shifts in US foreign policy reflect the patterns of change within the global economy (298). Current US imperial policy is reflective of the crisis of accumulation of both transnational as well as US capital. T. H. Cohn (2003) also points out how US FDI played an important role in the post WWII period in shaping the path and degree of development undertaken by the South (361).

MNCs, in the context of a new global division of labour, which solved the crisis of accumulation of the late 1970s.

It is notable that during the second half of the twentieth century, the US's relations with the Middle East operated within the context of the Cold War and the threat of the USSR. However, the post-Cold War era marked a radical shift in US imperialist policies towards the Middle East.¹⁷ As Anoushirvan Ehteshami writes, during the 1980s, the US maintained good relations with most Middle Eastern states who served as geo-strategic allies to the US during the Cold War. In return, both the IMF and the US were flooding these US-friendly states with billions of dollars in loans and aid. Although faced by protests, Middle Eastern ruling elites introduced economic reforms with an iron fist, thanks to American forces present for their defence.¹⁸ Doug Stokes also notes that without the military arm of the US extended into the Third World, US imperialist designs would have faced serious challenges by local struggles:

Third world militaries, trained and funded by the USA, became central conduits through which US power extended to underwrite and police the burgeoning US Empire in the Third World. These forces provided the bulwark against varying forms of internal reformism, with a wide range of oppositional social forces refracted through the lens of cold war anti-communism.¹⁹

Among others, two factors facilitated the integration of the Middle Eastern states into the global economy. First, the crisis of ISI or partially planned economies, and second, the coming to power of pro-US ruling classes. Thanks to the acquiescence of these national elites, the US managed to lock in Middle Eastern societies into relations of imperialism, whereby a new division of labour through the internationalization of production was established. In the Middle East, this new reorganization of the world market was accompanied with the fiscal crisis of statism. The need for more loans to support consumption led state elites into the arms of the IFIs who offered loans with high degrees of conditionality. In fact, the implementation of loan conditionalities perfected the new global division of labour, as third world states adopted export-oriented strategies geared towards external markets. In the process, they became dependent on the market for basic commodities as well as technology (capital goods) and marketing mechanisms, all of which had become the monopoly of MNCs by then.

The neo-liberal shift in advanced capitalist countries marked a new phase in the balance of power between capital and labour, nationally, and globally. While neoliberal reforms were pursued in the North, the South

¹⁷ “The most obvious reason for the upsurge in imperial talk is the radical change in the agenda of US foreign policy, and the context of the US as the sole superpower” (Mabee 2004: 1363).

¹⁸ Ehteshami 1999: 199-201.

¹⁹ Stokes 2005: 223.

faced similar constraints and given their dependence on International Monetary Fund (IMF) and World Bank loans, Middle Eastern states had to comply with the new neo-liberal expectations for reform in order to get access to FDIs from foreign banks and investors. These reforms included neoclassical monetary policies, floating interest rates, an increase in the power and reach of central banks, retrenchment of social policies, the dismantling of the public sector in favour of the market, creating the *de facto* sovereignty of the market parallel to the hollowed out sovereignty of the developmentalist state.

The economic liberalization process in most Middle Eastern states faced massive protests and resistance. In response to these protests, governments have been struggling to acquire more loans/grants in order to facilitate the process of reform adoption. However, the increasing insecurity arising as a result of these reforms seems to remain pressing, both in the short term as well as in the future. Unless a viable solution to the increasing poverty and unemployment is found, Middle Eastern societies will pose a major challenge not only to the local governments but also to US imperialism.²⁰

The Post Cold War Era and the Shift in American Policy towards the Middle East

In the post Cold War era two different phases were observed in US policy towards the Middle East. The first phase was marked by the politics of diplomacy and the use of economic sanctions during the Clinton administration. However, the second phase of US foreign policy was openly aggressive towards states that did not adhere to free market policies and notions of liberal democracy, as understood by the Bush neo-con administration.²¹

Perry Anderson captured very well these two phases of US foreign policy. He writes that while America's global strategy remained unchanged at the turn of the century, the only change observed was the means through which America pursued its interests. While during the Clinton era American foreign policy functioned under the banner of human rights, democracy and freedom, under George W. Bush it is the war on terror that has become the modus operandi of American foreign policy. While free markets, free elections, and liberal democracy are elements that the USA wants to export to the Middle East, the manner in which these will be achieved is a reflection of the shift in American imperial strategy on a global level. This shift

²⁰ Most governments that did not have access to oil revenues were very sensitive in the degree of reforms implemented by subsidizing the costs of the market reforms. In fact, an observation of the case of North African countries would demonstrate that the process of opening up (*infithah*) has been a very turbulent one ridden with class conflict. In order to avoid political instability or regime overthrow, governments have had to face the scorn of the IMF and the World Bank. Perhaps, it is this frustration of the capitalist powers with the Middle East that has led the US to attempt a radical transformation of the political and juridical systems.

²¹ As Cohn (2003) has pointed out, parallel to US aggressive policies, the World Bank and IMF were also showing signs of disregard for issues of poverty, unemployment, and general discontent in the Third World, now that the Cold War was over (405).

I would argue, marks a radical phase in the remaking of the Middle East, something that is observable in US economic and aid policies towards the region. Since the end of the Cold War, US aid has been closely tied to free market reforms and the dismantling of the state sector. Additionally, in the 1980s, both US and IMF responses to Third World debt crisis took the form of Structural Adjustment Programs (SAPs). Since late 1990s both parties have shifted in their prescriptions for the Third world (including the Middle East), demanding radical changes in not only how Third world economies are managed, but demanding a range of political and legal reforms as well.

IMF policy papers of 2003 indicate the range of reforms that have been imposed on Middle Eastern governments. As well, the areas of intervention of IFIs have increased radically, including public sector reform, transparency and good governance, financial market development, trade liberalization, monetary policy, and reform of the exchange rate, all of which are to facilitate integration into the global economy. As for the post conflict societies, the IMF and other international institutions are involved even more deeply, drafting and developing constitutions and policies to facilitate the building of the private sector (Palestine, Afghanistan, and Iraq). Hence, the current reforms are more thorough and aim to radically transform the nature of social relations in Middle Eastern societies.

While the contradictions of liberalization continued to unfold in the form of wealth polarization, massive unemployment and environmental crisis (water privatization), the IMF and World Bank continued offering the same prescriptions for the Middle Eastern states: stronger doses of privatization, further deregulation, more liberalization and the opening up of markets. It will come as no surprise that a stronger phase of liberalizing reforms and austerity programs would further intensify social, ethnic, and national conflicts in the Middle East (Algeria, Syria and Lebanon, Morocco, Tunisia, Egypt, Sudan – 1980s onwards, Yemen 1990s). Social conflicts have been widespread in the mentioned countries especially after the economic reforms that put at risk or destroyed the livelihood of a large number of people. As has been noted, protest movements in the Middle East and North Africa have been in response to retrenchment of the public sector, through massive privatization and deregulation.

David Seddon notes a series of riots and rebellions of the poor against globalization in Tunisia, Morocco, and Sudan. The 1980s coincided with the debt crisis, as many popular protests against governments, the IMF and the World Bank took place in a number of North African and Middle Eastern countries. While the 1970s economic crises and price hikes triggered protests from the poor segments of society, the 1980s crises elicited harsher responses from both the poor as well as the middle classes due to the privatization of the public sector. Clearly, the 1980s marked a shift in the nature of protests as they were mostly organized by the unemployed or by the public sector employees who were resisting the dismantling of the state in the face of

pressures of globalization.²² The set of reforms that began in the late 1970s and throughout the 1980s, in fact, intensified in the post-Cold War era. We will now turn to these new developments in the imperialist strategies towards the Middle East in the post-Cold War period.

What is New?

The United States, with its veto power in the UN and its unrivalled position within the IMF and the World Bank, has been adamantly pursuing imperialist policies across the world. With the decline of the USSR, the way was cleared up for it to act unilaterally, while effectively bypassing all conditions and rules of international law.

In this manner, the post Cold War era began with a clearly interventionist and strong US state displaying its global power with its first war on Iraq in 1991, while at the same time challenging European states by extending NATO powers to Eastern Europe. The new aspect of American imperialism is the intertwining of liberal internationalism (global governance and institutions) with the realist concerns of anarchy and security within the second Bush Administration.²³ The consequence of this shift for the Middle East arguably has been the renewed significance of liberal democratic institutions that would facilitate market functioning and result in the so-called security and prosperity, both for the region and for the world.²⁴

Of all the regions of the world, the Middle East presents a great obstacle to establishing institutions that facilitate the free flow of capital. It then comes as no surprise when the National Endowment for Democracy (NED hereafter) has been busy launching projects for promoting free enterprise in multiple Middle Eastern countries (Afghanistan, Iraq, Jordan, Morocco so far). What is astonishing is the degree to which the push towards market reform is enveloped in the language of freedom and democracy. In addition, the Bush administration has been constantly reminding Americans and the world of the strong correlation between peace (non-violence) and free enterprise, which in turn legitimizes pre-emptive American interventions in the Middle East.²⁵

²² Seddon, David. *Riot and Rebellion in North Africa: Political Responses to Economic Crisis in Tunisia, Morocco and Sudan*, in Berch Berberoglu (ed). *Power and Stability in the Middle East*, London: Zed Books, 1989.

²³ Daniel T. Griswald. *The Best Way to Grow Future Democracies*, CATO Institute, 15 February 2004.

²⁴ Susanne Soederberg. "American Empire and the 'Excluded States': The Millennium Challenge Account and the Shift to Pre-emptive Development, *Third World Quarterly*, Vol. 25, No. 2, 2004.

²⁵ National Endowment on Democracy (NED). Bush's speech on the 20th anniversary of NED. Beside these think tanks, financial institutions are even more actively involved in transforming the Middle Eastern states so that they would no longer pose a threat to investors. These aims are clearly stated by the IMF: "IMF work in the region [Middle East and North Africa] has focused especially on (i) public sector reform; (ii) transparency issues; (iii) financial market development; (iv) integration with the global economy; (v) reform of exchange rate regimes; and (vi) post-conflict situations." Source: <http://www.imf.org/external/np/exr/ib/2003/081503.htm>.

Underlying America's imperialist policies is the reconstituting of the political, legal, and economic landscapes in the region, all under the rubric of security and democracy. These goals of American policy are in unison with the conditionalities set by the World Bank and IMF for the Third World. These demands are often phrased in the following terms: good governance, a small state sector and the opening up of the economy in order to attract foreign and domestic investors. The goal of these IFIs is not simply to dismantle the public sector due to inefficiency; rather their aim seems to be that of sowing the roots of market mechanisms in the Middle East, whereby the supremacy of capital over labour becomes formally institutionalized. Furthermore, in terms of social relations, the current attempts of the US and other capitalist interests in the Middle East seems to be to revamp and reshape this region in a manner that would guarantee accumulation without creating or causing any uncertainties (the CATO institute lies at the centre of this push towards radical free market reforms in the Middle East).

It is clear from the range of official US government documents and from the right wing think tanks, that Middle Eastern ruling elites are provided with a single option and that is to embrace liberal democratic reforms (competing political parties, free and regular elections, free media, private property, rule of law, and withdrawal of the state from its redistributive functions while fully privatizing their economies). If these reforms are not implemented, just as in the case of Iraq, the US threatens to intervene more directly to bring 'democracy' to 'the people' of the Middle East. Fear of being removed from power, Middle Eastern governments have complied with US demands, although only to the degree that their power is not compromised. They have been actively expanding the reach of capital investment within their territories while at the same time curbing their own redistributive role.²⁶ To create an investment friendly environment, governments have kept a tight hold on labour as a condition for higher investment opportunities. As Soederberg points out, there is not much new in the renewed Washington consensus in terms of US demands from the Third world states and societies:

From the outset of the debt crises in the early 1980s to the late 1990s the form of the official development agenda has been marked by the Washington consensus... Working under the assumption that states should relinquish all power, except for guaranteeing and enforcing the rule of law (such as private property rights, free repatriation of profits, and so forth) to the rational forces of the marketplace over states, the prescriptions of the Washington consensus sought to implement sound economic policy and market friendly reforms...²⁷

What the US intends to achieve in the Middle East in the twenty-first century is somewhat similar to what it did in the immediate post war period. That is, the aim of US power is to integrate the Middle East into the global economy in a fashion whereby abiding by the rules of the world market would become a responsibility of the states in the Middle East. Perhaps the 'newness' is marked in the method of achieving an expanding

²⁶ See country profiles on IMF website to evaluate the degree of market reforms in the Middle East. www.imf.org.

²⁷ Soederberg 2004: 281-82.

range of goals both old and new. I have identified the new means as the reorganization of domestic political, economic, and juridical institutions with the constant threat of military intervention in cases of non-compliance.

The other aspect of US demands entails the maintenance of security within the national borders of these states. From the range of policies proposed to the Middle Eastern regimes, the US has now recognized that without political reform economic reforms will lead to instability. This was first mentioned in the 'Greater Middle East Initiative' as part of *Rebuilding America's Defenses* project in 2000²⁸ and has been reiterated by Thomas Barnette. The United States believes that dissent can be absorbed through political reform, something that the elite would resist as it would destroy the basis of their power by creating space for political struggles.²⁹

The New Millennium and the New Face of Imperialism

A country's potential to warrant a U.S. military response is inversely related to its globalization connectivity. There is a good reason why Al Qaeda was based first in Sudan and then later in Afghanistan: These are two of the most disconnected countries in the world.

- Thomas Barnette 2003.

George W. Bush has also reiterated the link that Thomas Barnett draws between the disconnectedness of societies from the global economy and violence on many occasions. It is suggested that globalization and further integration into the global economy is the key to reduced violence, more security, prosperity, and stability. In its global constabulary role, the US seems adamant in bringing this change in the Middle East, albeit masked under the banner of democracy and freedom. The new US policy in the Middle East announced by Bush in November 2003 pursues a 'forward strategy of freedom' throughout the Middle East:

Promoting democracy and freedom in the Middle East will be a massive and difficult undertaking, but it is worthy of America's effort and sacrifice. As long as freedom and democracy do not flourish in the Middle East, that region will remain stagnant, resentful, and violent-and serve as an exporter of violence and terror to free nations.³⁰

²⁸ Four essential missions of the US in the new Century, as outlined in the document include Homeland defence, large wars, constabulary duties, and a transformation of the US armed forces. *Rebuilding America's Defenses* (2000).

²⁹ This can be understood better in the context of divided ruling classes (pro-speedy reform vs. slow reform) in the Middle East. Although, the recent political trends in countries such as Egypt suggest that old factions of the ruling classes are being purged out of the ruling political parties, and being replaced by pro-reform ones.

³⁰ From George W. Bush's speech delivered at the twentieth anniversary of the National Endowment for Democracy, 6 November 2003.

Freedom, as stated above, means freedom of capital, freedom of the market and freedom of commodities to circulate around the world. It is hard to find evidence of how such mechanisms would solve the deeper problems of the poor or the unemployed. Rather than addressing the root causes of violence, and the resentful attitudes towards the US and other capitalist powers, America's policy of transplanting freedom and democracy is intent on bringing market reform, security and stability for investors in the Middle East.

The common goal of the US then seems to be to connect the *disconnected* societies to the *connected* part of the world. If achieved, it is argued that it will solve a number of problems such as poverty, resentment towards the West, social conflicts, political frustration, etc. This shift in American policy is reflected in the increasing influence of neo-cons on American foreign policy such as the Cato institute, the Heritage Foundation, and the National Endowment for Democracy. Clearly, American demands from the rest of the world are ridden by neo-con right wing ideology. This ideology centres on a blind faith in the role of free enterprise and the market as perfect allocators of resources. Nothing other than the market can be tolerated and this particular side of the Bush administration was exposed in the actions of Paul Bremmer, who rewrote the Iraqi constitution, removing all obstacles to the development of private property. The realities in Iraq since then have proven that such ideologically motivated plans will not be realized easily.³¹

Under the current US administration, the project for economic and political liberalization is packaged in the language of democracy and freedom. This project is further linked with the need for security and peace in the North. As stated in George W. Bush's speech, it is widely argued that the West has become the main point of envy of the third world, especially the Middle East. The only way to deal with this is to globalize the Middle East, by expanding their global trading capacity, liberalizing investment, and exploring the potential markets of this region. All of this would require the establishing of political institutions, free and competing elections as well as a free judiciary and open, uncensored media. In such a context of transparency and security, global investors would flood Middle Eastern states and the people of the region will finally

³¹ There is a significant level of support for US imperialism in the mainstream and right wing academia. Liberal internationalists and adherents of 'Democratic Peace' believe that the expansion of the institutions of liberal democracy is the basis for building a peaceful and prosperous society where citizens enjoy democratic rights (Francis Fukuyama *et al.*). Michael Ignatief's *Empire Lite* (2003) refers to the US as a benign empire that has a positive mission of spreading democracy and freedom in the world. Liberal cosmopolitans also find themselves defending the US Empire given the emphasis on liberal democracy. Although it should be noted that this group of liberals have blind faith in liberal democratic institutions and rights based on which they hold that the expansion of liberal democracies would diminish the possibilities of war and conflict.

There are yet other defenders of the US as a benign empire within the inter-state system. These supporters of the current US power argue that the 'failed states' and the condition of disorder can only be managed by the US through its military, economic, and political interventions. Doug Stokes (2005) provides a detailed sketch of the debates among these scholars of International Relations who have been discussing the evolving role of the American state within the inter-state system. I have drawn on his discussions of the current debates on American foreign policy in the mainstream. For instance, N. Ferguson, *Colossus: The Rise and Fall of the American Empire*, London: Allen Lane, 2004.

become able to realize their ultimate potential. Such has been the promises pronounced by the current US president as well as the influential US think tanks.

The flip side of this project of the US would reveal the actual interests served by such schemes and designs. It is not the Middle Eastern poor and the ordinary citizens who would benefit mainly from such plans. Rather, it is the domestic and foreign elites and investors scrambling for opportunities to invest their capital that will benefit most from this process of reform. Introducing a wide range of economic, political, and juridical reforms would secure the region by making it easier for private investors to make investment decisions under conditions of political stability and transparency. In addition to this, once opened, Middle Eastern labour, consumers and natural resources present great opportunities for diverse capitalist interests (both US and other).³² The project in short entails uprooting the existing political and economic arrangements and instead putting in place a more rigid, formalized set of institutions that facilitate and enhance accumulation opportunities in the Middle East as well as in the rest of the developing world.

Iraq's Centrality in the Overall Imperial Strategy for the Middle East

What is the significance of Iraq in this larger project of US imperialism? As Thomas Barnett clearly stated, it was the disconnectedness of Iraq from the global economy that characterized it as a dangerous threat to US imperialism. The successful rebuilding of Iraq as a neo-con utopia is crucial to all US missions in the Middle East, and perhaps the rest of the world. As it is argued by the Bush administration, the privatization of Iraq could have a ripple effect that would initiate a wider process of political, economic, and social changes in the whole region. In Bush's words, "The establishment of a free Iraq at the heart of the Middle East will be a watershed event in the global democratic revolution."³³ Hence, the US will achieve the goal of integrating the non-integrated gap, as in the words of Barnett.³⁴

³² Soederberg (2004) has also put forward such an argument. The culmination of such regional designs can be found in the larger imperial strategies of development for the South. According to Soederberg,

The MCA [Millennium Challenge Account] reflects the ongoing transformation of American imperialism, which has become more explicit after the tragic events of September 11 2001. This may be readily observed by the growing intensity with which the American state has sought to promote the fact that US values and rules are the most desirable and just in the world and is most virulently articulated in both the Project for the 'New American Century' and the 2002 American National Security Strategy (NSS)... It is believed that the route to achieving a more just and peaceful international environment in the post-cold war is to codify American values and rules in the South (280).

³³ From George W. Bush's speech delivered at the 20th anniversary of National Endowment for Democracy, 6 November 2003. <http://www.ned.org/grants/03programs/highlights-mena.html>.

³⁴ Barnett argues that the motivation for the invasion of Iraq was a need to integrate Iraq into the global economy.

Clearly the US aims to open up every aspect of Iraqi society to the global market so that further opportunities can be created for capital to recreate and expand itself. In this scheme, Iraq represents the raw material that could be moulded into a fully-fledged capitalist society extending the life of the capitalist system by helping it recreate itself at the expense of Iraq's labour, resources, and environment. This objective of the US is apparent from the amount of money pumped into building the necessary institutions that would facilitate the introduction of the free market into Iraq. For instance, President Bush asked the Congress to double the budget of the National Endowment for Democracy. Of its total budget, \$458 million was designated towards 'promoting democracy' in Iraq and another \$40 million would be spent in the rest of the Middle East.³⁵

While there is a wider set of interests served by the invasion and reconstruction of Iraq, clearly US capitalist interests lie at the core of this project.³⁶ The Iraqi reconstruction project is, in fact, contracted mostly to US-based capitalists. Such arguments do not dismiss the advantageous position of US capital in Iraq and there is sufficient evidence to suggest that US corporations have been well served by the invasion and reconstruction. "Out of 59 prime contracts awarded from US appropriations in the 2004 financial year up to November 2004, 48 (more than 80%) went to US companies."³⁷ Herring and Rangwala further add, "[G]lobal governance in its current form is an expression of imperialism, defined in the contemporary period as the formal and informal practices which sustain rule on behalf of capital."³⁸

It is the degree of American military might as well as its crucial role in reordering and organizing the international system (global economy) that makes the title of empire the right description of the American state. As Mabee suggests, recognition of the US as an empire is "a recognition of both the level of American power and the pivotal role of the US in the international system."³⁹

Remaking the Middle East: Regularizing the Irregular through Top-down Reforms

The main goal of the US is to reorganize both Iraq and the Middle East in order to facilitate capital accumulation and reducing uncertainties and direct political resistance to US imperialist and global capitalist

³⁵ Aljazeera, an online news agency discussed the Greater Middle East Initiative which was cast away by the US after it faced many criticisms by other US allies, especially the European powers. (www.aljazeera.net, *The Greater Middle East Initiative*, 18 May 2004.) Also see Perry Anderson, 2002.

³⁶ Naomi Klein has documented the process of privatization of Iraq or its divvying up among US contractors whose stake in the invasion of Iraq becomes clear (Baghdad Year Zero... Harper's 2004).

³⁷ "FY2004 reconstruction contracts and grants," US Department of Commerce web site [Export.gov/Iraq](http://www.export.gov/Iraq), no date, accessed 6 November 2004, http://www.export.gov/iraq/market_ops/contracts04.html (cited in Herring and Rangwala, 2005).

³⁸ Herring and Rangwala 2005.

³⁹ Mabee2004: 1364.

interests. So far this goal seems far from being achieved. Naomi Klein, in her article, “Baghdad Year Zero: Pillaging Iraq in pursuit of a neo-con utopia,” lays out the imperialist agenda of the US in Iraq. Post-invasion Iraq began with designs to fully privatize every aspect of Iraqi society through rewriting the Iraqi constitution. While this project did not succeed due to resistance both from Iraqi workers and Iraqi business interests, the Bush administration is blindly pursuing its ideological dream of creating a fully free-market Iraq. Beside the immediate interests of US capital, there are other reasons that the invasion of Iraq serves for US imperialism.

Tariq Ali provides a summary of the wide range of objectives that the Iraqi invasion would serve. These goals include a show of US power to the rest of the world, especially to rivals such as Russia and China; warning Middle Eastern states to follow orders from the White House; acquiring economic power by controlling oil reserves in Iraq, and finally securing the region by installing an American friendly regime in Iraq. Ali argues that these goals of US imperialism were in the working long before Sept 11th.⁴⁰

While the above reasons represent a broader set of US objectives, the reconstruction of Iraq is quite significant to the larger US plan for reshaping the Middle East. As Herring and Rangwala write, every aspect of the reconstruction process is marked by transnational capitalist interests who play a central role in remaking Iraq by locking Iraq into international agreements and trade deals. Besides repaying its debt and reparations, Iraqi society has to deal with massive unemployment and poverty. Despite having the world’s second larger reserves of oil, Iraq still applied for IMF loans in September 2004.⁴¹ Of course, this loan came with the conditions set by the IMF to develop “Iraq’s fiscal administrative capacity, with the explicit expectation that the increased capacity will be directed towards preparing Iraq for debt management and marketization.”⁴² Beside the IMF, there are a range of think tanks and neo-con associations who are busy in reshaping the Middle East through both direct and indirect support in shaping institutions and constitutions.⁴³

Iraq’s combined multilateral and bilateral debt inherited from the Saddam era is estimated to be as much as \$137 billion. This does not take into account unpaid interest (which could more than double the total) or \$30 billion outstanding on reparations awarded by the UNCC

⁴⁰ Tariq Ali 2003.

⁴¹ Eric Herring and Glen Rangwala 2005.

⁴² IMF, “IMF Executive Board Approves US\$436.3 Million in Emergency Post-conflict Assistance to Iraq,” Press Release No. 04/206, 29 September 2004, <http://www.imf.org/external/np/sec/pr/2004/pr04206.htm>.

⁴³ I am referring to think tanks such as the CATO Institute and the Fraser Institute (which has undertaken the task of launching Arab Freedom index with funding from a US based, John Templeton Foundation in 2005). Also, other staunch supporters of free market reform can be found on website of the Economic Freedom network www.freetheworld.com who take a keen interest in the Middle East restructuring. Also see Abt Associates for an elaborate and detailed plan of economic and political restructuring of the Middle Eastern countries www.abtassociates.com/Page.cfm?PageID=22024&FamilyID=300.

and \$97.9 billion of claims still to be decided by it.⁴⁴ Iraq paid arrears to the IMF of US\$81 million in order to trigger in September 2004 approval by the IMF of a loan of \$436 million in emergency post-conflict assistance. Furthermore, the purpose of the loan is to improve Iraq's fiscal administrative capacity, with the explicit expectation that the increased capacity will be directed towards preparing Iraq for debt management and marketisation.⁴⁵ In November 2004, the Paris club of creditor states agreed to write off up to 80% of Iraq's debt to them by 2008, after protracted negotiations between its 19 members, on the condition of its acceptance of an IMF programme.⁴⁶

It seems the IMF projects of the 1970s -1980s fell back on their promises of solving the problem of poverty and unemployment. Rather, they unleashed the contradictions of the free market (poverty, unemployment, increased prices of basic commodities). The current phase of liberalization is intended to be more serious in implanting liberal institutions in the region. As such, it is hoped that conflicts would be eliminated through liberal democratic regimes. The pressure on most states and ruling classes currently tend to aim at forcing these states to reconfigure themselves so that they could allow a measure of liberal democratic changes.

As Peter Gowan remarks, the current expansion of liberal democracy can be better understood as the expansion of 'cosmopolitan neoliberalism', whereby one state (the US) has acquired special prerogatives at the expense of all other states. With such extended powers, the US aims to harmonize and synchronize laws, institutions and political systems across the world.⁴⁷ We could observe examples of this in Egypt and Syria (and Saudi Arabia) where constitutional amendments in a liberal democratic direction have shaped the current political debate in these societies. As Barnett (2003) writes about the shift in American policy and its assertive role in managing globalization:

The Middle East is the perfect place to start. Diplomacy cannot work in a region where the biggest sources of insecurity lie not between states but within them. What is most wrong about the Middle East is the lack of personal freedom and how that translates into dead-end lives for most of the population — especially for the young.”

Stokes points out the contradictions arising from the two responsibilities of the US. He writes that in pursuing its own national capital's interests, the US state also reproduces global capitalism, in terms of providing public goods globally. To rephrase it otherwise, while it might seem that the US is acting in the

⁴⁴ Jubilee Iraq, http://www.jubileeiraq.org/debt_today.htm, accessed 10 October 2004.

⁴⁵ IMF, "IMF Executive Board Approves US\$436.3 Million in Emergency Post-conflict Assistance to Iraq," Press Release No. 04/206, 29 September 2004, <http://www.imf.org/external/np/sec/pr/2004/pr04206.htm>.

⁴⁶ Herring and Rangwala 2005.

⁴⁷ Peter Gowan. *Neoliberal Cosmopolitanism*, *NLR* II, No. 11, 2001, pp. 80-1, 85. For more focused discussion of such reforms in the Middle East and the Arab world, see Mustafa Kamal Pasha. *Predatory globalization and Democracy in the Islamic world*. *ANNALS, AAPSS*, 581, May 2002, pp. 121-32.

general interest of global capital, the reality is that due to the high level of internationalization of US capital, when the US pursues the interests of capital globally, first and foremost, it serves the interests of American capital. This does not mean capital has become transnationalized. It only means US capital's reach has become internationalized and requires the US to act across the globe.⁴⁸

It would be naive to assume that the US imperial project for the Middle East is being imposed on the Middle Eastern ruling classes. An analysis of the Arab Human Development Report 2004, which was issued in April 2005, indicates a set of policy suggestions put forth to the Arab elites.⁴⁹ From the report, it is obvious that, among the elite, academics, and intelligentsia, there is strong support in favour of economic, political, and juridical transformations in the Middle East. This support is counter balanced by other social forces who resist changes that would further erode means of their livelihood and expose Middle Eastern poor to the gyrations of the world market.

Obstacles to the US Imperial Project?

Naomi Klein has argued that despite the full-fledged push towards integrating Iraq into the global economy, there are real hurdles that would either prevent or radically slow down such a process. The US has not succeeded in winning the hearts of Iraqi people. Beside this failure, the stark reality of poverty, unemployment, and threat to the public sector jobs have led to the formation of different types of popular resistance movements. What chance of success does the US possess in the rest of the Middle East? The track record of the US and IFIs' push for implementing liberalization has left negative memories among the Middle Eastern populace. Soederberg argues that the era of neo-liberal globalization has reached its point of crisis in the South. She writes, "[t]he dangerous combination of the dwindling levels of public support for market-led restructuring and austerity packages, on the one hand, and shrinking room for manoeuvre regarding national economic and social policy formation, on the other, has led to a crisis of neo-liberal governance in the South."⁵⁰

It is also worth noting that throughout the 1980s, the process of economic liberalization was subject to political class struggles in the Middle East and governments were forced to be sensitive in adopting liberalization policies; although at times governments acted with an iron fist and imposed reforms in order to deal with the burden of debt repayments. As a result of the liberalization processes, workers as well as the poor and the unemployed, became more vulnerable to the dictates of global capitalism. It is important to note

⁴⁸ Stokes 2005: 228.

⁴⁹ Arab Human Development Report "surveys the pace of change in the Arab world and strongly urges a rapid acceleration of democratic reform, with specific proposals for new regional human rights institutions, robust and freely elected legislatures, and truly independent judiciaries" (AHDR 2004).

⁵⁰ Soederberg 2004: 283.

that such reforms also carried a political cost: namely the decline in legitimacy of Third World ruling elite and the rise of alternative political groups such as Islamic fundamentalists.⁵¹

As the distributive functions of the state became eroded and coercive powers of the state became increased, it gives rise to civil wars (in Algeria and Lebanon), riots, protests, and most importantly to the de-legitimization of the state. The rise of Islamic fundamentalism as the alternative that emerged represents the nightmare of capitalist powers both in the North and in the South.⁵² The obstacles that this new phenomenon poses to US global power and its goal of reproducing capitalism is what I will focus on next.

The current processes of democratization and liberalization – that is, primitive accumulation – which are heralded and supported by the US and other advanced industrialized countries as a new beginning, have in fact resulted in the erosion of the established social safety nets of Middle Eastern societies, thereby exposing the vulnerable populations of these societies to the uncertainties of financial and labour markets. Phrased differently, the policies of democratization and liberalization ignore the contradictions that are created in these societies by the very process of liberalization itself. Such a degree of liberalization, even if it is under the rubric of democratization, will further intensify the existing conflicts within these societies.

Human insecurity does not seem to be the target that democratization and liberalization will resolve; rather such insecurity, whether in the form of increased social unrest, urban dislocation, high levels of unemployment, or the emergence of extreme forms of religious fundamentalism and terrorism, constitute the outcomes of such processes of global integration. Just recently, in July 2005 Yemenis massively protested against the removal of oil subsidies, which burdened the poor with high oil prices.⁵³ This point is further reiterated in an excerpt from Soederberg where she points out the failure of neoliberal logic to grasp the contradictions that result from neoliberal globalization, namely human insecurity:

The reproduction of neoliberal globalization is not a friction-free process, but fraught with contradictions... Moreover, 'these processes of profit making, accumulation, and institutional regulation, which give a degree of security to the system, simultaneously produce insecurity on all levels of social and individual life.' The latter may be regarded as the security/insecurity paradox of neoliberal globalization... In the post-Bretton Woods era (1944-71), American-led imperialism has attempted to straddle the security/insecurity

⁵¹ Pasha (2002) has argued that the current wave of Islamism in the Middle East is a constitutive element of neo-liberal globalization whereby in the context of declining capacity/role of the state to redistribute wealth, Islamic organizations have taken over this role.

⁵² It should be noted that not all Islamists pose a threat to global capitalism. It is only the fundamentalist fraction that I am referring to in here. Groups such as Hizbullah, Hamas, and Algerian Islamists would fall under this title. See Alejandro Colas 2003.

⁵³ "Yemen Cuts Fuel Prices after Riots," <http://english.aljazeera.net/NR/exeres/330F9422-C6F9-4C62-8E94-97CD656061AE.htm> accessed 29 July 2005.

paradox vis-à-vis the South largely through economic and physical (military) coercion, such as structural adjustment programmes (SAPs) of the IMF and militarized postwar reconstruction efforts in, for example, Afghanistan, Bosnia and Iraq...[N]eoliberal globalization in the form of SAPs has allowed many capitals to reap the benefits of privatized state firms, and easier access to labour, and consumer and credit markets. However, the same modes of export-oriented forms of institutional regulation have led to increasing levels of insecurity, albeit in varying levels, in the South.⁵⁴

Conclusion

In this paper, I examined the relationship between American imperialist policies and the evolution of the Middle East during and after the Cold War. I argued that while the concerns of US policy in the region during the Cold War were mainly issues of the containment of communism in the region and preventing independent paths of development in the Middle East, the post-Cold War era marks a radical shift in US policy towards the Middle Eastern countries. Since the 1980s, with the help of IFIs, US imperialism has been engaged in actively dismantling statist policies in the Middle East while the post Cold War era can be seen as a period of remaking Middle Eastern societies. I have argued that the current phase of US imperialism in the region aims to restructure not only the economy, but also the political and social spheres, with the aim of facilitating capital accumulation. The case of Iraq serves as a model in this attempt of the US whereby every aspect of Iraqi society is being divvied up among mainly US and other International corporations and contractors. I have also made the case that such an attempt is not as smooth and easy as imagined by the US. Just as globalization faced active resistance by Middle Eastern populations across different societies, the current design of the US is going to face even more resistance precisely because liberalization does not carry the answer to the problems of poverty and human insecurity in the region.

While the promises of globalization have attempted mask the US imperial project of primitive accumulation, the fact that the burden of accumulation is shouldered by the workers and the poor of the Middle East will expose the underlying power relations that characterize the current phase of capitalist expansion. The right-wing, neo-liberal policymakers and capitalist interests tend to establish the following false relationship between ‘open’ economies, liberal democratic freedoms, and reduced violence. They argue that economic freedom goes hand in hand with democratic freedoms, and societies (Western, industrialized) that have these in place, tend to live in peace.⁵⁵ The Middle East and Africa are both closed and undemocratic and therefore witness large scales of violence. In order to have peace in these regions of the world they need to embrace the logic of the market. Only then citizens of these closed regions will have hope and faith that their

⁵⁴ Soederberg 2004: 282.

⁵⁵ For a critique of such liberal internationalist arguments see Barkawi, Tarak and Mark Laffey. “The Imperial Peace: Democracy, Force and Globalization.” *European Journal of International Relations*, Vol. 5, No. 4, 403-34, 1999, European Consortium for Political Research, SAGE Publications.

condition of poverty and suffering can change. They will no longer, out of envy, resort to violent acts against the well-off in the world, as their frustration would transform into hope. To realize this, these societies need to open up their economies, while also adopting liberal democratic freedoms and rights. As a result, investors will be attracted to these regions, which will lead to an increase in trade and income generating mechanisms.⁵⁶ The Middle East will become safe for investors while at the same time it will integrate more closely into the world market, resulting in a healthier and rejuvenated capitalist system.⁵⁷ While the US is strongly pushing for such reforms, there is little evidence of the promised fruits, where wages are low, and unemployment high, housing costs are skyrocketing due to privatization, privatized, and unaffordable health care, none or very little savings as the day to day concerns of survival prevents any thoughts about the future.

To conclude, capitalist globalization and imperatives of the world market enforced by American imperialist policies impacts different societies, social groupings and classes unevenly. While the rich often benefit from such processes, the majority poor, unemployed, and unprotected populations carry the risk of losing their livelihood and means of survival. At the same time, the unintended consequence of American imperialist policies pose threats, not only to America but to the rest of the world as alienated and disenfranchised young men and women embrace fundamentalist organizations (both Islamic and non-Islamic). Such is the nature of imperialist venture where there is always the possibility of implosion of the empire as a result of its own policies.

⁵⁶ The academic support for such ideas can be found in the work of rationalist Hedley Bull (*Anarchical Society*, 1995) and in also in the work of liberal internationalist, Francis Fukuyama (*State Building* 2004).

⁵⁷ These ideas are expressed not only in George W. Bush's speeches, but form the core of right wing think tanks (National Endowment for Democracy, the Cato institute, the Heritage Foundation etc.) in the US, all of whom provide policy advising to the Bush administration.

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