

Arab Development Denied  
Dynamics of Accumulation  
by Wars of Encroachment

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poverty levels. The neoliberals assumed a fantasy market devoid of power relations and contradictions, in which poverty results from social exclusion or the disengagement of individuals from market processes. But markets are a subset of social relations, which reflect the distorted balance of power between social classes. Market-driven growth cannot be inclusive in the best of circumstances because merchant patrons inherently dispose of resources to upkeep profit rates. Moreover, Arab industrial markets shrank under the neoliberal package and are now incapable of integrating those who were socially disengaged on the advice of the IMF/WB consortium. *This was not a mistake.* Capital accumulation is firstly a social process and only secondly a money accounting framework. In integrated markets, the social means of control of labour, of which unemployment and lower wages are necessary parts, grow harsher with the demands of global capital. These demands include the determination of both market buying power and market costs by making sections of the working classes powerless and abject. Circularly, the fulfilment of these demands lowers costs and reproduces ever more lopsided power relations. The market may act as an engine of growth and poverty reduction in some corners, but it must dislocate in others. In the AW, the process of eroding the state as a power platform that could integrate the working classes cheapens humans and nature as capital inputs. Poverty in the AW results from its war-and-oil subordinate mode of integration into global social and economic reproduction. Unless the Arab state is reconstituted with significant labour representation, value-entrapping mechanisms and radical redistribution, the poverty trap will persist, at the very least because there are too many idle people needing work in too little industry.

## Chapter Five

# WARS AND OIL CONTROL

Wars are an integral part of the global economy. They reshape the social conditions that produce value, and they uphold the power of the social class that relies on the war economy for reproducing itself. Wars galvanise military technology and civilian spin-offs with public funds, which maintains the US-led capitalist class advantage in technological edge and intellectual property patents. Financially, funding for wars expands US indebtedness in the dollar. US-led wars enlarge the dollarised money supply that has in turn to be underwritten by further military expansion and hegemony over strategic resources, principally oil. In the financial age, the growth of moneyed debt spent on wars also requires higher tax levies and lower social spending on the central working classes: hence the now all-too-familiar austerity. Save the cultural otherness promoted via the war on terror, US-led wars reproduce the social relations by which Arab assets are devalued, including human assets. These wars not only subjugate the occupied or aggressed nations in the Third World; more importantly, they elevate US-led power and classes vis-à-vis other nationalist or advanced capital circles.

Ultimately, wars, as the aggressive facet of capital, generate a most desirable outcome for the bourgeoisie: they commodify human lives. As will be seen in Chapter Eight, where technology and market forces have disengaged billions of working people (recalling that at least 1.1 billion are unemployed by ILO poverty induced standards) the commodification of life or the merging of working people and their labour power implies that by dispensing with some of the working people by means of wars, capital demonstrates the worthlessness of the labour. Unlike the Malthusian model, where welfare measures enacted to help the lower strata later cause the famine that reduces swelling 'surplus' populations so that wages can rise again, in the late twentieth century the surplus of labour power is so huge that by expending human lives, capital destroys unnecessary labour and cheapens already engaged labour. War demonstrates labour's (apparent) irrelevance and justifies its low returns on the basis of its lack of scarcity. Under capitalism, there is no peace, there are different degrees of war. War as a social process restructures power

relations and social institutions with the aim (as always) of getting the most wealth for the least costly inputs. It erects the real or symbolic forms of power that grind down the working class. The Arab world is a war 'hot zone' and the incipient ground for the so-called war on terror. It consumes vast quantities of ordnance produced and sold by central countries and foments the conditions for war elsewhere. Combined with the power emanating from oil control, the internalisation of regional conflicts into the core of the world market has long contributed to imperial wealth creation.

Wars in the AW are an integral social process of the world economy, a process with which capital comfortably cohabits. Accumulation on a world scale without wars would lack an essential component, which is the coercive reduction of Third World power and value. For capital to move away from war-making as such would result in a negative shock to the world economy after an indeterminate lag. At least the cheaper inputs would cease to be cheap. But also, somewhat in the way that economies grow from higher rates of raw-material utilisation, the intensity of war itself is foundational to the growth of imperialist riches. Unlike raw-material consumption, however, which immediately raises production, social dislocation revalorises inputs in production after certain lags in time. World capital, in short, has taken on war as part of its reproduction, and income levels are partly determined by this embedded relationship. Not that there ever was a world built around an expanding peace industry disciplining the blind competitive forces of capital: wars of dislocation create the material of capital—that is, the terrorised labour and cheapened raw materials that raise rates of profit.

Like war, oil control is fundamental to capital. Capital as a social relation is inherently a relationship of regimentation, control and hegemony, in which oil control (that is, energy control) figures prominently. Oil control matters much more than just the money earned from the sale of oil grabbed from the poorer Arab countries. What is at stake is not solely the power of the US over smaller nations (in general). Oil control is crucial to maintaining the leading power position of US-led capital within the imperialist centre. In more advanced (developed) financial circles, the conveyor belts channelling the money form of value to US-led capital are significant. The income of the OECD nations is around seventy per cent of global income, and nearly all global financial transactions occur in their designated money space (WDI 2010).

War in the AW may appear to have indigenous causes arising from the tragic farce of resurrected long-dormant Arab sect/clan identity as the sole political form of working-class representation, but in actuality the courses of wars are charted by historical agents at the helm of capitalist development manoeuvring to promote war for its own sake and for oil control. The historical agents are the mediation of US-led class power in impersonal and objective

social forms such as the Security Council and the Breton Woods institutions. There is almost no resemblance between the types of political Islam practiced today and past historical forms of Islamic politics. In point of fact, modern-day political Islam shares more in common in its central banks/monetary policy with central conservative parties than it does with the central banks of the caliphs, had they existed!

At any rate, the idea that capitalism expands simply by enlarging the market for commodities implies that crises could be remedied by an appropriate global fiscal policy. This might be so under a social plan in which both quarterly profits and consumerism are regulated and circumscribed, but not in a production system segmented by power structures and organised by an accumulation process that is blind to its own social and environmental consequences. The voracity of capital accumulation continuously shifts forms of 'primitive accumulation' to the developing world, where the acquisitions of cheapened sources of raw material and non-moneyed constituents that go into the formation of value provide the extra margin of profit. It offers capital grabbed and undervalued resources that Eurocentrics consider an entitlement by virtue of Western civilisational and technological advance. Reified nationalism and 'nationally' developed technological advance lend capital, the indivisible global social relationship, a false air of divisibility as it manifests itself in the concrete forms of commodities. The socially constructed international division of labour, its manifestation as a fetish in the national order, divides humanity itself (Véret 1999).

However, capital in the financialisation age, more so than in the monopoly age, steadies its progress by aggressive encroachment, including military aggression, rather than by the simple realisation of commodities in expanding markets. Financial institutions wed themselves closely to the state and militarism, as in the monopoly age, becomes not only in itself a province of accumulation, but also serves through encroachment and dispossession to offset the inherent crisis of accumulation (Luxemburg [1913] 1973). Lenin ([1916] 1966) further emphasised that militarism represented a decisive moment in an accumulation process under imperialism and the principal means by which capital overcomes its crisis.

In this chapter, I explore the war issue in relation to development in the AW and its consequences—abjection and de-development. These outcomes constitute a totality, in which all the moments tell of unspeakable social conditions. From the totality, mainstream literature selects aspects of underdevelopment to obscure the kernel of the process—that is, development dictated by imperialist assault. For instance, the UNDP Arab Human Development Report of 2002 selected three areas of shortfall in the actually unitary condition of underdevelopment—gender, democracy

and knowledge—which it called ‘deficits’. Later, US-led imperialism, in its attack on Iraq, employed these notions in a racist ideological campaign against Arab working classes under the pretext of their cultural inferiority, making light of the killing of hundreds of thousands (Fergani 2004).

Underdevelopment is overdetermined, and all aspects of existence explain it. Housing, food, employment, environment and all else needed to support a decent existence were deteriorating. The point is to search for the universal (general) social relationship that motivates underdevelopment, which is, as this book argues, the social agency of US-led imperialism. The UNDP strand of Arab capital-funded literature is not only lacking on methodological grounds; it falsifies Arab-world reality by reducing it to few selected cultural images in order to justify wars of aggression. This literature does not mention the class-subordinated alliance of Arab merchant capital with US-led capital and their security arrangements. The real ‘Arab deficit’ is the waning of the real and ideological power of Arab working classes in opposing imperialist aggression. This chapter investigates the relationship of imperialist wars of aggression to development.

### Wars in the Arab World

Since the second half of the twentieth century, the AW has experienced the highest frequency of conflicts globally (SIPRI, various years). It has witnessed numerous wars, civil wars and security threats. The Arab–Israeli conflict, the Gulf wars, intrastate conflicts and civil wars—such as the Lebanese, Syrian, Iraqi, Algerian and Yemeni civil wars, not to mention the disasters of Somalia and Sudan—characterise Arab-world historical process over the last three decades. The impact of these wars has been devastating. Following Iraq’s war with Kuwait, the US-led military campaign shattered most of Iraq’s economic infrastructure within six weeks (Parker 2007). The sanctions that followed caused the deaths of around one and a half million people, including around five hundred thousand children. The sources for these figures vary; according to Juan Cole, Iraq lost 4 per cent of its population, but the point here is not to play the numbers game (Cole 2013). Two-thirds of Iraq’s GDP was lost during this period (Alnasrawi 2001, 214). The occupation and ethnic cleansing of Palestine planted a colonial-settler society armed and backed by European colonialists in the heart of the AW, which to date has been a source of bellicosity and underdevelopment for much of the Third World (Chomsky 1989; Petras 2008). As to the condition of the remaining Palestinians in the occupied territory, ‘their poverty had risen substantially, leaving more than 60 per cent of the population below the poverty line of US\$2.3 per person a day’ (UNCTAD 2006, 6). More than 59 per cent of the total population of Gaza depends on food aid from the United Nations (Roy 2006).

The Lebanese civil war (1975–90) caused around one hundred and fifty thousand deaths. Loss of human life was accompanied by the destruction of capital and infrastructure and the displacement of a more than a million people. The lost output due to the war was around twelve times the value of Lebanese GDP in 1974 (Eken et al. 1995, 4–5). More recently, the (currently lulled but ongoing) Sudanese civil war and the Somali, Libyan, Iraqi and Syrian civil wars are also appalling manmade calamities. Apart from the longstanding Palestinian refugee situation, the United Nations High Commissioner for Refugees estimated that more than 1.2 million Iraqi refugees have sought asylum in Syria, Jordan, Egypt, Lebanon and the GCC countries. The area is swarming with refugees. Recent estimates of Syrian refugees surpass 1.5 million.<sup>1</sup> In short, it is one big disaster.

Through ideological channels, reasons of propinquity or geopolitical positioning, the impact of war and security threats engulfs the whole region. When regime military stabilisation spending are included in the resources devoted to internal and external security spending, the rates of militarisation are actually far above the reported rates, which are nearly twice the world rate (WDI various years). The Middle East is home to some of the world’s most militarised states, with high proportions of armed forces to total population (Tilly 1991; BICC 2012).

As already discussed, military conflicts in the AW reduce the capacity of the social formation to reproduce the working population in relation to the historically determined level of subsistence. Displacement, educational and health degeneration, decrease in income, destruction of capital and productive capacities of the economy, disruption of patterns of economic production, and capital and resource flights undercut the capacity of the social formation to provide for improvements in living standards. Another aside about the historically determined level of subsistence: the notion of Arabs as noble savages or primitive tent dwellers derived from the central-nation TV image of traditional desert nomads does not constitute a criterion for the minimum standard of subsistence. The standard of living itself moves up globally with the progress and wealth produced under capitalism. It is the ideologically inculcated image that assumes that ‘noble savages’ inhabiting tents should be satisfied with minimum caloric intake, which is too preposterous to be debated. To illustrate, unlike past days, prior to 1980, many Arab cities, particularly Baghdad, Damascus and Beirut, experience long hours of water and electricity shortages when these are currently essential for human development.

<sup>1</sup> United Nations High Commissioner for Refugees, ‘Number of Syrian Refugees Tops 1.5 Million Mark with Many More Expected’, UNHCR.org, 17 May 2013. Online: <http://www.unhcr.org/519600a59.html> (accessed viewed 5 September 2013).

One need not dwell on the impact of de-electrification or these actual physical constraints on the development of revolutionary consciousness.

Conflicts in the AW structurally shift developmental progress onto a lower path. Their consequences persist after conflicts taper down, although none of the conflicts really abated. Mainstream social science does not highlight the importance of the structural value shifts in favour of US-led capital resulting from wars (Collier et al. 2003; Imai 2000; WESS 2008); instead, the impacts of wars in the region, magnified by the perpetual terrorism scare, are accentuated to demonise the whole of the Arab working classes.

The length and high frequency of conflicts also leave little room to investigate whether pauperisation by conflicts presupposes the next war. Unlike Japan, Germany, South Korea and other countries where conflict followed by aid and financing from the centre propelled their economies into more technologically advanced entities, in the AW there is little time between conflicts to rebuild or to stem interests opposed to rebuilding (Koubi 2005). Poor development in this context exhibits a reflex-like relationship with the high rate of conflicts (Humphreys 2003). Poverty, economic decline and economic shocks may or may not trigger internal conflicts, depending on the hold of ruling classes on state power (Lenin 1902; Gramsci 1975; Skocpol 1979, 79–80). It is not inequality or dependence on primary commodities that spark conflicts, for these conditions always exist. The degree of control by the ruling class determines the moment of conflict eruption because in poverty-stricken developing formations, the conditions for violence are omnipresent and are not attenuated by bourgeois institutions. In old-school colonial fashion, destabilisation and jostling to acquire greater influence within the Arab national class structure are important to US-led capital. In the AW, as will be obvious given the facts presented, it is impertinent to dissociate inequality from conflict. However, it is not the functional nature of institutions in charge of managing these inequalities that mitigates conflict (as in Cramer 2003, for instance), because it is unlikely that the conflicts can be mitigated no matter how effective national institutions are. The imperialist assault and the balance of forces favour the imperialist so much, such that it is pointless to discuss this point in the present epoch (more on this in chapter 7). The proposition that there are institutions to allay inequality overlooks the premise that war of aggression qua colonialism is a politico-economic relationship aimed at recomposing classes and their attendant institutional and value relations. It also overtly mimics the English accumulation model in its applicability to the Third World. Capitalism as progress or as the re-engagement of socialised labour in social wage activity is not a necessary outcome when crises of overproduction prevail. The world is not the English countryside of primitive accumulation centuries ago. In non-sovereign Arab states, there *are* no mitigating institutions.

Institutions are forms of social organisation that manifest the conflicting forces of class politics; in the Arab context, imperialist intervention is decisive among these class forces.

The mainstream literature further views the relationship of conflict to development in terms of the types of social contracts; their legitimacy, order and fairness; and the capacity of the state to provide services (WESS 2008). As grievances stemming from social inequality rise, 'groups' are said to mobilise, hence increasing the probability of conflict (Stewart 2004). Inversely, the grievances of the poor are met by the greed of the rich who seek enrichment by causing and prolonging the conflicts themselves (Collier and Hoeffler 2000; Collier et al. 2003). To this school of thought, the policy alternative would be an institution that moderates the grievances or simply one that lessens the financial attractiveness of war. But how are these solutions supposed to materialise? The poor nation must negotiate its fate with a 'benevolent' imperialist that pretends to have the poor's best interest at heart. In this ad-as-you-go method of thought, there is no departure from a price equilibrium model, and a new institution qua market would clear the excesses and put matters back in equilibrium.

While genuinely legalistic markets exist nowhere, in Arab markets not even the mere semblance of legality surrounds market transactions. The ideological and legal veneer of equal free traders, which at times furnishes some conditions for progress in Western markets, is patently absent in Arab markets. However, in war, as in peace, grievances and greed exist as symptoms of the material mode of organising life. Does this explain anything? Does the changing nature of war from national wars to intrastate wars matter? The new type of war with transnational connections, plunder and criminal activities is said to add something of a novelty to the explanation of conflict (Kaldor 1999). In this line of argument, the collapsing Third World nations in which the political forms of divided classes supplant the state itself are reconstituted in thought, and only in thought, as ideal states responsible for their own fate. A more adequate conceptualisation of the Arab state would stress its changing character under war and neoliberalism to underscore the difference with its concrete structure in the immediate postindependence state. This reification of the state absolves the US-led imperialists from the plunder they have accomplished with their policies. Blame shifts onto the working classes of the Third World, who are supposedly incapable of building good governance or democracy. Much in the same way as the welfare function in central states (supported partially by imperialist spoils) co-opts the central working classes, the aid and geopolitical flows function, structurally channelled via imperialist finance, accentuates identity differences in the AW. As the state has retrenched, imperialistically funded NGOs (the secular missionaries of the modern age) have become the

Trojan horses of sectionalism in the labour movement. Imperialist finance has pitted social classes against themselves and situated sections of identity-bonded labour above the state. Imperialist power positioning in the Arab formation ratchets up the power of the US-led imperialism against other actual or would-be imperialists that will funnel significant capital into US-led financial institutions. In relation to the returns on the power generated by US-led wars that undervalues Third World assets and absorbs immediate money resources from the wealthier moneyed economies, spending on NGOs dims in significance.

However until now the United States has been able to run up a truly giant national debt for a special reason. Being the world's leading capitalist economy, and a military superpower, its currency has been used for payments between countries. When it needs to pay its debts it merely issues a Treasury bond to which investors from around the world rush to subscribe. Foreign investors buy not only bonds issued by the government but also American corporate bonds, shares, and real estate. These inflows, soaking up as they do the world's savings, ensure that the United States is able to import more than it exports, year after year, without suffering the treatment handed out by the IMF and World Bank to countries like Argentina, Brazil, India and so on. This endless supply of golden eggs depends on the United States remaining as the supreme imperialist power and the dollar remaining currency for international payments. However, that is precisely what is now threatened. (RUPE 2003)

The very act of devalorisation is a reassertion of US-led power that draws financial flows on account of its currency as world reserve currency. These immediate money benefits and longer-term ones arising from devastating or controlling the Arab state also offset the costs of interventionist campaigns. This is not a simple case of taking over their oil fields and selling their oil. Compared to US imperial rents, owning an oil carrier at sea to deliver and sell oil is not much of a gain. Arresting oil supplies and owning the global financial channels is the real story. Much more important is the control that diverts resources to US-led capital through manifold financial channels. Under financialisation, the high frequency of financial flows magnifies the contradiction between the high rate of financial earnings and the discipline necessary to clamp down on excessive financier avarice that may loosen the controls of capital in times of crisis, with results like those of the 2007–08 financial crisis. As will be shown below, the intensity of this contradiction becomes itself the impetus for further social deformation of peripheral states by means of war. These disciplining and control processes are the necessary

background work for the establishment of the price system and its associated profit rate.

### The Price Fetish

When stripped bare of their mystique, prices and the sums of money they amount to are brokered by a structure of power from which the working classes have been excluded. In addition to enforced public-to-private transfers under neoliberalism, wars inflicted upon the Arab formations act as the ultimate instrument of encroachment by which resources and labour are coercively engaged in the formation of value in capitalist accumulation. This real subsumption of labour to capital, in the presence of immense surplus population created by large-scale industry in agriculture and the factory system, is exploited here in a way that saves the “capitalist” a part of the production costs of capital, and allows him to speculate directly upon the misery of the workers’ (Marx 1863). The double whammy of neoliberally commanded Arab markets that misallocate resources and a US-led imperialism that reinforces abjection by war coercively subsumes Arab resources to capital.

Capital socially binds, represses and harnesses the material available for production including labour power before it engages it. The social category of control as such and the power platforms attendant upon the actual or ideological standing of the working classes precede the formation of prices. Making the Arab working classes more insecure, more vulnerable in the forms of their political organisation, means more profits accruing to central capital—in one facet of this one may envisage that the power-setting influences prices. The pittance spent in money form on control or destabilisation, whether it is the financing of Islamic fundamentalism or the US aid to Egypt, generates value for capital by the degree to which prices of Third World resources fall below value or, more significantly, the degree to which capital exercises control over value-forming processes. By tearing apart old ways of maintaining a living, inflating the ranks of the unemployed and driving people into poverty, capital inexpensively re-engages in production non-money assets (human beings) that had been disengaged by mass unemployment. (Of course, the same measures apply to all other resources—since to the imperialist, Arab working-class people are one more commodity to be devalued). Moreover, the images of dying Arab children, the cause of whose misery is assigned to cultural and identity politics, by ‘demonstrating’ that Arabs are culturally and nationally inferior, boost racism-laced nationalisms in the centre. Absurd scarcity and lifeboat theories—bringing the Third World poor to First World safe havens—acquire momentum and ideologically bear the weight of capitalist dynamics. The function of these campaigns is to conceal the fact that wars and their

consequences in famines and chronic hunger are necessary to reproduce the ideological tools of capital. Deaths in Third World wars, famines and hunger are advertisements for imperialism (Avramidis 2005).

More often than not, diplomatic means of resolving conflicts are doomed to fail in the AW. None worked in the past unless the peace terms exacted more of a human toll than war. Egypt after the Camp David Accords is a case in point: after thirty years of growth, one out of three of its children is malnourished (IRIN 2010). That the empire will not take yes for an answer is not haphazard; war is necessary to circuitously reproduce the international division of labour attendant on accumulation by militarisation. Thus, despite the embargo on Iraq acting as a slow-motion WMD and the capitulation of its leadership, Iraq had to be invaded to crush even its remaining traces of sovereignty (Gordon 2010). Those on the Left who argue that the differences in wages across the globe are primarily derived from degrees of technological advancement, relative to differences in productivity (relative surplus value), forget that productivity in an integrated world is indivisible and that criminally wasted lives have gone into what is being produced. Accumulation and productivity do not start in the factories of the West; they begin in the Congo and Iraq. The concept of socially necessary labour and the reproduction of labour power presumes that wages are not exclusively determined by biological factors but by historical and sociological ones (Emmanuel 1972). The formation of value is an integrated historical process, in which all social moments participate in the realisation of the commodity, and not a statistical exercise accounting for distorted or power-brokered prices. The politics of imperialist aggression grapple with the growing rift between the US-led capital's bloated share of private appropriation and the redistribution of value to a complex global production structure (the shares of other imperialists). In the age of financialisation, this rift is magnified by the fetish incarnate in the dollar-based price system. The more acute the contradictions, the more developing nations have to be stripped of their security before they are deprived of political will and national resources.

Wars trace the outer limits of encroachment in the accumulation process. They are entwined with expansion by commodity realisation—that is, the process by which commodities are brought to market and sold to realise their value. Wars also pre-empt revolutionary consciousness because they delink progressive reforms from their intermediation in revolution. In view of labour's abundance, those who perish in war reduce the number of labourers by so little relative to the huge total (an insignificant reduction of the labour-power commodity) such that they reduce the value of those remaining alive. When central-nation working classes are estranged from their own humanity (the alienated majority vote for the war machine) and under the incessant barrage

of scaremongering associated with 'terrorism' and alleged resource scarcity, their initial attitude of compassion for and solidarity with Third World dead or skeletally starved people transmutes into its opposite—deepening nationalisms and other identity forms to the benefit of capital. It is this ideological input of war distorting revolutionary consciousness that lays the ground for new wars. That wars are justified by fabricated information time and again is not a series of gaffes or mistakes; it is, as often said, a systemic calculus of mass crime. Just as wars contribute to the reproduction of social conditions under capitalism, so also they buttress the ideology of capital, which must be continuously reproduced and is never separate from the expropriation of Arab formations. The epitome of war-making ideology was justifying what is utterly unjustifiable under the Charter of the United Nations—launching a war to protect 'a way of life'. During the ideological and media whip-up for the Second Gulf War, the distortion of humanist consciousness became so profound that some ideologues went so far as to quote Hegel's philosophy out of context in a manner that resembled the language of *Mein Kampf*. Here is the snippet from Hegel:

[Conflict with another sovereign state] is the moment wherein the substance of the state—i.e., its absolute power against everything individual and particular, against life, property, and their rights, even against societies and associations—makes the nullity of these finite things an accomplished fact and brings it home to consciousness. [...] War is the state of affairs which deals in earnest with the vanity of temporal goods and concerns. [...] War has the higher significance that by its agency, as I have remarked elsewhere, 'The ethical health of peoples is preserved in their indifference to the stabilization of finite institutions; just as the blowing of the winds preserves the sea from the foulness which would be the result of a prolonged calm, so also corruption in nations would be the product of prolonged, let alone "perpetual", peace.' (*Philosophy of Right*, 323–24R).<sup>2</sup>

Here is Hitler to illustrate the resemblance and dangers of quoting Hegel or anyone else for that matter out of context:

To those who said that it was war which had sapped the substance of Germany, and that another war would end European civilization, [...]

<sup>2</sup> Lee Harris drumming up the war at this website: the Tech Central Station: Where Free Markets Meet Technology. <http://www.techcentralstation.com> (viewed 3 January 2004).

it was only 'eternal peace' which destroyed peoples and that neither the individual nor society could escape Nature's decree that the fittest alone survive.<sup>3</sup>

To do justice to Hegel, who can hardly be quoted in a way that does *not* seem out of context, the above quote is extracted from a treatise in which the state has not yet realised the spirit and, hence, it succumbs to war. The view that Hegel is a totalitarian theorist or fascist ideologue who glorified war as a human achievement is a caricature that has been universally rejected (Stewart 1996). War for Hegel reflects a condition of the underdevelopment of spirit associated with the underdevelopment of the state; therefore it is the by-product of an unethical state. Under the rule of US-led capital, economising with the truth or falsification that promotes war is admitted at decisive levels of the public discourse. That is all the more reason why global working-class differences nurtured by nationalistic wars are an essential proviso of for commanding the social processes that create wealth. The imaginary national rifts splitting worker from worker unknot the organic ties of working classes.

### The War–Oil Nexus

In the AW, then, war serves multiple functions; however, it principally bolsters militarisation and abets the control of oil. Discussing the occupation of Iraq, Paul Wolfowitz, deputy secretary of defence under George W. Bush, stated that Iraq's war was about oil (Wright 2003). The process of US-led accumulation rides upon three broad currents: demand-side growth, dollar-expanded financialisation and militarisation. What the American economy cannot generate in *doux commerce*, it generates by war and militarisation. In this duality of republic and empire, argues James Petras, the empire side is deployed to offset the failure of accumulation by commodity realisation/overproduction within the republic (Petras 2011). Not that this analysis changes much; the US republic was imperial from its inception, steadily conquering and colonising territory westward according to Manifest Destiny, displacing or slaughtering native peoples, and importing and then breeding slave labour for primary-goods production (tobacco and then cotton). Here, European wage slavery, as it has been noted in the mid nineteenth century, needed slavery pure and simple (Marx 1867). War was the republic's instrument from the beginning. Today, the power standing of US-led capital hinges on international consent that the US is in control of oil. Here, the perception of control is as relevant

3 Adolf Hitler, *Mein Kampf* (Houghton Mifflin, 1941). Online: [http://archive.org/stream/meinkampf035176mbp/meinkampf035176mbp\\_djvu.txt](http://archive.org/stream/meinkampf035176mbp/meinkampf035176mbp_djvu.txt).

as actual control. Perception of control bolsters confidence in the dollarised financial system, in the sense that dollar expansion is underwritten by oil control. Strengthening control over oil resources provides US-led capital with strategic leverage on most countries. Oil price fluctuations matter less to the US than to others because oil is priced in its own currency: the dollar. US-led capital's share of global income is declining: US GDP is at around twenty per cent, or less than half of what it was by the end of the Second World War; meanwhile, other national capitals are ascending (the BRICs or East Asian Tigers). The US's chronic trade deficit, which is around \$700–\$800 billion a year,<sup>4</sup> has for some time now incorporated declining competitiveness in areas where the US has been a leader, but the US remains potent in the production of high-tech knowledge (Brenner 2003b; Wallerstein 2000b). That the trade deficit persists partly because of loss of capacity due to deindustrialisation or the outsourcing of manufacturing processes is made less significant because global flows seek the security of the superpower's risk-free dollar assets. US-led capital has maintained its lead via its military might and the technology derived from militarisation that provides an edge over other national industrial capitals. The more the politics of austerity suppresses US national demand, the more that war (in general) or oil wars (in particular) stabilise the dollar pricing of oil, flows of Chinese surpluses and other surpluses into T-bills, and other imperial rents that have propped up long-term US growth (Kohler 1999). In an adjacent manner, the discourse of declining US empire is one thing and declining US-led capital is another. The corporate profit rates exhibit unrelenting growth (growth rates may be lower but also the labour shares), and capital, which assumed a more financialised role centred around the US economy, is not at all in decline.

In Left theories of imperialism, wars emerge from persistent crises in the centre. The more severe the crisis, the more it reduces the role of realisation in the process of capital accumulation and the more it expands the role of capitalist war ventures. Consequently, war is crucial to resolving the difficulties arising from trying to maintain profit rates while balancing the national production and distribution sides. After three decades of neoliberalism, the share of US real wages fell slightly and investment in productive activity (as opposed to finance) is on the wane (Tabb 2007; Brenner 2003a). Dependent Arab oil formations edging towards or experiencing war represent an opportunity to re-empower US-led capital. With US capital wedding itself more closely to financial capital's deflationary policies, central demand is likely

4 US Department of Commerce, 'Foreign Trade', US Census Bureau homepage, 2012. Online: <http://www.census.gov/foreign-trade/statistics/highlights/annual.html> (viewed 12 December 2012).



to remain torpid. The implication of a deepening crisis in the centre would further drive US-led capital to lay claim to oil or to shift the power structure in oil regions in its favour. Imperial rents and dollar seigniorage, the gains of borrowing indefinitely in one's own currency at little cost, here present at the global scale, become attached to oil control and its associated wars, which are nowhere more prevalent than in the AW. The AW functionally redresses the shortfall of capital accumulation and the mercantilist impetus of imperialism by its wars, underdevelopment and security exposure. This reproduction of oil control and war requires the articulation of Arab ruling classes with US-led capital, specifically in how this alliance disempowers the Arab working classes.

There are some nuances that differentiate these wars from previous colonial wars. Unlike the US-led empire, which imports capital by multiple financial channels, colonial Britain exported capital because it also had more serious colonial competitors. It rechannelled its surpluses from the colonies, mainly India, to Australia and Canada. This provided the impression that it was exporting a great share of capital vis-à-vis what it received at home (Patnaik 2009). However, in terms of value for price, the net gains from colonialism remained significant. The deconstruction of indigenous industry and resources around the world produced for Britain an immense historical surplus value (Abdel Malek 1981, 70). The resource flows to the US are more significant because its imperialist competitors are doubly subordinated by its expansive power and dollar hegemony. Many separate concrete capitals from around the world merge into the abstract money form of the dollar. US-led capital wars resemble past colonial wars, with the twist that the channels of resource flows to empire are more flexible and intricate as a result of the diluted identities of national capitals. Global wealth is held in dollars, and the world's wealthy become one in the dollar. The billions of dollars wired daily globally involve dollar premiums that are pocketed by US-led capital's financial institutions. The rents obtaining to US-led capital from its imperial standing rise according to the power it garners from the global holders of dollar wealth. US-led capital's national identity undergoes restructuring at the same rate at which financialisation sucks non-American capital into its structure.

Beneath the prices are real values, the blood and toil of working classes. These values are the labour, assets and all other goods required to improve the lives of working classes. They are grabbed and underpriced by imperialist power relationships that short-change the vanquished working population. Colonialism appears more costly to the colonisers, but because of a history of colonialism that already tilted the exchange platforms and enormous real assets are engaged cheaply in production, the actual returns are great. That is once more why the real reason for neocolonising or destroying states is to

strip working classes of sovereignty over their resources before their resources are taken away. The balance of forces behind the scenes sets the price of indigenous resources and primary commodities far below the value necessary to reproduce their working populations. As inter-imperialist rivalry lingers over US financial liabilities and its excessive money grab, US-led capital expands by eroding security-exposed peripheral states and immersing itself as a broker of power within their class structures. This insertion of US representation into the peripheral governing structure is a re-enactment of old colonialism.

For over fifty years, the surfeit money capital of the AW remained unrequited transfers or uncashed cheques. Following the demolition of Iraq, many corners of the Third World are subjected to the full force of a colonial anti-development agenda. Libya, Syria, Iraq, Somalia, Yemen, Sudan and Lebanon are now merely plundered territories. Anti-imperialist ideological defeatism, in the form of retreat from secular nationalist or socialist ideologies, correlates closely with military routs. The speed with which Arab wealth evaporates leaves few developmental traces. Most investment is about passively consuming technology and/or the object of investment itself (as in real estate) without knowledge linkages to the local economies. For more than thirty years, the International Country Risk Guide (ICRG) database has pinpointed the AW as one of the riskiest regions globally.<sup>5</sup> The macroeconomic and supposed 'antiwar' policies have merely aggravated conflicts. In the central Arab-Israeli conflict, aid to the Palestinians boosted the Israeli economy because the occupied buy and rebuild with the money and the goods produced by the occupation force. The so-called peace process resulted in more land confiscations. The creation of scarcities in the occupied territories alongside NGOs wielding European or Gulf capital funded fragmentation and the near-collapse of cohesive Palestinian resistance. Not that the instruments of the UN Security Council ever amounted to much, realpolitik superseded international law. Andre Gunder Frank's triangle of oil, guns and the dollar constituted the hinges in the framework of Arab de-development. Through all-out assaults and belligerent international relations, US-led capital created a social existence for the AW that swings between full-fledged conflict and a high level of tension.

In view of the smallness of non-Gulf Arab incomes and per capita incomes in relation to petrodollars, war in the AW is cheap to fund and easy to foment. Wars can be fanned wider by their own heat as a result of already existing hostilities. Even without the deliberately induced oil-control wars, the flames of regional war drive value from around the world into the safety of the US market.

<sup>5</sup> The International Country Risk Guide nearly always places the AW in the high risk category, (ICRG) various years.

US-led militarisation underwrites the power gap between the US's national production structure and its position in the international division of labour. These inter-imperialist power gradations are political, social and technological, and they require both wars and the ideological constructs for war to be continued. The emergent consequences are such that if even one conceptually excludes the pursuit of oil from the schema, war making for its own sake would still be a reason for conducting regional wars. The region has not been afforded developmental consideration by the central nations. There is not much to trade with it in value-added merchandise in the Arab region (Arab labour share from global income is around 0.3 per cent). The region simply produces oil and buys manufactured goods and food that are by an historically determined average incapable of reproducing the population at conditions better than those of the past. As such, the AW is the prophylactic used for US-led imperialist positioning and repositioning in international relations.

Only in thought can the reasons for war be separated into war for its own sake as opposed to war in pursuit of strategic resources. Capital accumulation processes, which are class relations mediated through the social agencies of capital, are real, and their primary objective in the AW remains oil and its control. Oil has figured in imperial designs since the early twentieth century under European colonisation (Al Duri 1969). The belligerence of US-led capital in the AW has grown in step with the relevance of oil as a strategic commodity. The commodity itself is strategic because of the world's dependence on it—not solely for energy use and the value-added conversions derived from it (oil), but even more for the hegemony it provides over other major economic entities. Thus, because the perception of oil as a strategic commodity involves control over other (financial) channels of resource flow, its *scarcity* as a commodity is invented and exaggerated. The appearance of controlling something relevant upon which the survival of the global population hinges underwrites the issuance of dollarised money wealth to cover much of the world's future transactions. In an example of oil-scarcity scaremongering language, a few months before the invasion of Iraq, a commentator expressed the hope that the fight for oil would be carried out in cash and not with missiles (Deffeyes 2002). The degree of control itself is a material relationship reproduced over time to leverage a dollar-based monetary system that remains in large part commodity-based (Patnaik 2009; Bagchi 2008). Also, because of high price variations and steadily growing quantities of oil over the last three decades, oil's share of global trade varied between ten and twenty per cent (means of transport rank second at three per cent, using the SITC at the three-digit level).<sup>6</sup> In standard trade theory

6 UN, various years, Standard International Trade Classification.

the value of a national currency derives in part from national ownership of a significantly traded commodity priced in that currency. Thus, dollarising the price and exchange of oil is central to US-led capital. Oil's energy share in still-rising powers (China and India in particular) in the developing world is twice that of OECD, making this group more vulnerable to US strategic control of the commodity (UNECE 2005). But it is not only the control of oil itself that counts; control of the oil market also comes into the picture. So what is this oil market, and how is it controlled?

### Controlling Oil Markets

Although every market is a process of social and power relationships, the oil market is even more extraordinary than other markets. The struggle to dominate the oil market, therefore, is no ordinary struggle. The degree of control over the oil market translates into some degree of enhanced power in all other markets. But to control an oil market, the principal player, which is undoubtedly US-led capital, intervenes at the source militarily or otherwise, and shunts other players aside while at the same time keeping the financialised transactions of oil under close watch. As already noted, therefore, US-led capital strips oil states of sovereignty over oil and dollarises oil transactions. These two measures represent the collateral needed to lay the foundation of the oil-dollar standard of the world financial system (Patnaik 2009). In this relentless exercise of power, the commodity-based (i.e., oil-based) global monetary system flourishes by the expansion of oil control, which underwrites the dollar.

On the surface, oil prices change in response to a vector sum of economic and geopolitical factors. In recent history, however, the amplitude of oil-price variations has been more typically attributed to growing Iran-related and Gulf-related geopolitical risks and an abundant dollar money supply rather than to narrowed refinery margins (how much more refineries can refine) and smaller cushions (a cushion is the size of the gap between supply and demand). The currently high oil price, which rose from around ten dollars per barrel in 1999 to a current plateau of around one hundred dollars, was partly driven by excess liquidity (easy convertibility of assets into cash) banking on oil futures. Despite the fact that very high international oil prices may hinder an already fragile global recovery from the 2008 recession, US interest-rate policy and US raucous war-on-Iran discourse jitter the market and rattle prices.

Below the surface, oil prices are rarely left to two-dimensional frameworks of supply and demand. As noted, with the oil-dollar standard gripping the international financial system, rising oil prices dampen the performance of

all oil-importing economies to a higher degree than they do the US economy, for the obvious reason that the US pays for oil in its own currency. Oil price variations engender shifts in the degree of power enjoyed by the US economy vis-à-vis other economies. In the ongoing lethargic global business cycle since 2008, the US partly reasserts its stature through the demand for dollars arising from higher oil transactions and strategic oil control. Financial capital was contented as a result of expanding US indebtedness and rising *fictitious capital* (the layers upon layers of money claims for which there are no real counterparts in the economy). The rising debts raised the share of real value and wealth acquired by the ruling classes through austerity; for instance, as millions of families whose earners were made redundant were unable to service their home mortgages—or were falsely placed in default—their homes became the property of the lenders, who were able to resell them at higher prices involving new mortgages as the market ‘recovered’. Rising debts or fictitious capital have had non-fictitious and in fact dire effects on the working classes of the centre (Bellofiore 2011). But the worst consequences of expanding central debts fall upon working classes in the AW. Wars that underwrite expanding US debts by staking oil rise in intensity as the bond tying oil to the dollar weakens. Much as there were too many dollars for gold, which prompted the US to part with the gold standard, there could be too many dollars for oil or oil control. Hence, propping up the oil-dollar standard involves oil control. Moreover, oil prices have much more to say about the state of the global economy than merely the cost of petrol at the pump.

Crude oil prices exhibit high variability. In the same way, when the AW weakened as of the early 1980s, so did OPEC when in the mid-1980s oil-price determination moved to the Chicago futures market (Mabro 2008). As aptly put by Jayati Ghosh, ‘OPEC is more like a club of a minority of oil producers, rather than a cartel that is in command of world oil supply’ (2011). More recently, the OPEC Reference Basket price reached US\$140 per barrel in July 2008, declined again to US\$35 by the end of that year, and in 2013 rose above US\$100 once more. Financial speculation, mainly the buying of crude oil futures, was behind the 2008 price surge, and the present hike is driven by speculation around a very geopolitically charged future (UN 2008b). It is worth noting that the much-discussed geological considerations relating to ‘peak oil’ and extraction cost are not responsible for the oil price rises of either 1973 or 2004. Oil reserves matter in the long run; but current oil *prices* have not been determined by beliefs about the long run (Mabro 2008). These geological considerations have an impact only on the forward-looking or long-term price. But in the internet age, geopolitical problems unnerve the market almost instantaneously and are becoming more portentous by the minute.

Nervousness in the Gulf, past and present, has gained the semblance of permanence and has risen in intensity. The perceived short-term concern influencing oil price relates to a sudden disruption of supply and a higher risk of sagging in the cushion placed beneath the market’s ample posterior by Saudi Arabia, which provides the bulk of surplus capacity (Krane 2012).

On the consumption side, demand for oil continues to rise by 1 to 1.5 per cent on average yearly (OPEC 2012). An increase in the rate of growth of China and other parts of Asia over the past two decades has steadily raised demand for oil. Constraints on the production capacity of the cheaply extracted and ‘light sweet’ crude oil both in the upstream sector (OPEC countries) and in the downstream USA are slowly emerging, but the coming online of shale and tar oils reduce the scope for supply constraints globally. It is relevant to note that oil’s strategic status was only minutely a long-term issue. Oil’s strategic status arises from short-term considerations, hegemonic control of supply sources or a lockdown of the host regime in relation to oil, and the oil-dollar nexus. Short-term disruptions to shipments or the independence of regimes from US hegemony in relation to the currency in which oil is sold are weighty considerations. To illustrate with proceedings from an actual event, at the conference ‘China and the Middle East: Implications of a Rising Political and Economic Relationship’,<sup>7</sup> a Gulf scholar addressed a Chinese scholar with remarks that if China continues to support Iran, the Gulf may suspend oil shipments. Not that the scholar’s words would make a difference, but in strategic terms that is what shutting off the spigots means. In oil, all it would take to cause major disruptions to real and financial markets is a single short-term fiasco.

However, until 2013, supply constraints have not represented a problem per se because more refineries are accepting sour-quality crude (including so-called ‘tar sands’ oil or liquefied bitumen) and the cushion has been anything but flattened. One should note that the petroleum market cannot function effectively unless a certain volume of surplus production capacity is available. The extra volume is needed to offset the effects of strikes, storms and smaller wars. No cushion, however, would suffice for a war that resulted in the closure of the Straits of Hormuz. The fear factor developing around this trumped-up story, in particular, is of some significance in pressuring oil price movements, but it is not really threatening. Neither the information sources integrated within the oil market nor central-state intelligence services

7 Nurbidayahni Mohammad Miharja, ‘Scholars Discuss China and Middle East Relations at Well-Attended Event’, National University of Singapore, Middle East Institute, 2011. Online: <http://www.mei.nus.edu.sg/blog/scholars-discuss-china-and-middle-east-relations-at-well-attended-event> (viewed 27 February 2014).

believe that the Iranian military is capable of blocking the straits. Had Iran's military capabilities been enough to arrest the flow of oil from the straits and withstand a massive US assault, the international financial order would be drastically different. Militarism and US control of the eastern flank of the Persian Gulf are what calls the shots and are more relevant as provinces of wealth making than the share of oil revenues obtained by the major oil corporations.

The price of oil is increasingly realised in American futures markets. It rests on an assemblage of futures, spot, physical-forward and derivatives markets where, with expanding liquidity, the futures markets lead. Participants in these markets include major financial institutions such as Goldman Sachs, Morgan Stanley, Merrill Lynch, Société Générale and J. P. Morgan. A large number of hedge funds and individual punters also take part in this market. Hedgers, one may add, are also speculators in view of their fear that the actual price is liable to be less favourable than the price that they are willing to insure. In today's oil market, therefore, the major players are speculators who may more often than not manipulate market outcomes in their favour. The main point to note from this is that the price of oil also moves in response to differential rates of return from investment in other markets and not solely to demand-supply concerns. The presence of dollar liquidity and low rates of return in other markets draw the excess dollar liquidity into the oil market and displace direct producers as the driving forces of this market.

Gulf-related geopolitical concerns and talk of sanctions on Iran are not new and have always filtered into the oil market (Moore 2005). The market has operated with such grim analyses in the background and cohabitated with these conditions for many years. Recently, however, the stakes have risen. The views propagated in the USA by think tanks and the mainstream media about an inevitable strike on Iran elevate the stress level (Ottolenghi 2012). But the more important issue is not the closure of the straits, it is how other powers—China and Russia—will consider the assault. Whoever feeds this information into the market further destabilises, in no haphazard fashion, an already unstable oil price. The power emanating from US geostrategic control of oil areas and high oil-price variability are self-reinforcing elements of the same process by which US-led capital boosts its own clout and negotiation standing relative to other players. The dilemma for importers, specifically China, is to strike a balance between reducing US control in oil areas so as not to become strategically squeezed in terms of strategic supply, and not to weaken the US to the point of loosening the US dollar standard. The latter case may precipitate dollar devaluation and, subsequently, a US debt deflation process. Much of the handling of this fluid relationship depends on the US-led capital establishing hegemony over oil-strategic areas to cover its voracity for money

expansion and on how the ripple effect from oil price fluctuation redistributes the shock to its own economy and others.

The oil-dollar standard is not an identity as in  $x = y$  or in which the value of a given currency has to be stable in terms of commodities. As such the dollar would, *ex ante*, maintain a stable value in terms of commodities (Patnaik 2009). At no time in recent history has there been a shortage of oil, and at no time have oil prices been even mildly steady in the dollar. The link between the dollar and the price of oil, which is inherently unstable, is (as explained earlier) set by the degree of US power in relation to direct producers and importers. To qualify Patnaik's point, this money system is not only commodity based, it is also power based. The variability of oil prices is partly managed to preserve US imperial stature within a range at one end of which global imbalances press for dollar devaluation while at the other the US uses the threat of such devaluation and debt deflation to blackmail holders of US debts. The concern for US-led capital arises from the rising dollar money supply *qua* liquidity, steady asset prices and low interest rates, which would raise the price of oil to politically intolerable levels. Until shale oil abundance came into play, at such moments the US would speak of releasing strategic reserves—not that shale oil will relieve the pressure on peripheral formations, because the US controls oil in order to pressure competing imperial powers (Winn 2012). The oil-dollar standard is in this sense a power-defined commodity-money instrument both furthering and being furthered by imperialist conquest.

### Closing Comment

The oil-dollar nexus varies in strength even as US-led capital's economic power at home wanes. As its share of world industry dwindles, or as it moves labour intensive and environmentally costly production processes to China and India, the US bolsters its mercantilist facet by military enterprise. Despite a sizeable depreciation of the dollar over long stretches of time, the US trade deficit persists for reasons having to do with outsourcing and loss of capacity due to long-standing degradation of intermediate level industry. Since Volker's hike of US interest rates in the late 1970s to partially redress indebtedness by foreign savings, US imports have steadily outstripped US exports. As US social reforms retrenched, US foreign policy mimicked the brutality the US exercised in its own ethnically segregated slums, especially as it bombed away various parts of the Middle East. Its mercantilism follows from the inflow of world resources for T-bills into the US economy. Technological supremacy resulting from militarisation situates US power on apparently unshakeable long-term grounds. I have added the qualifier 'apparently' to underline the fact that 'the

graveyard of history is littered with the shattered claims of chosen peoples' (Davis 1960), or in a more literary tone:

And on the pedestal these words appear:  
 'My name is Ozymandias, King of Kings:  
 Look on my works, ye mighty, and despair!  
 Nothing beside remains. Round the decay  
 Of that colossal wreck, boundless and bare,  
 The lone and level sands stretch far away.  
 Shelley, 'Ozymandias', 1819

Years of Arab postindependence development have been written off by wars and neoliberalism, which freed, in primitive-accumulation fashion, many social assets either for acquisition or simply to remain idle material for more central capital. Whereas in earlier times and elsewhere variants of primitive accumulation led to improvement in economic and social developments, in the AW, security and development goals parted ways concomitantly with weakened sovereignty. Wars disengaged social assets, adding to the problem of an already low production capacity. They served as principal de-development tools. Whenever short-lived peace ententes prevailed, the weight of potential defeat restructured social classes into adopting neoliberal policies that usurped the resources of nations. The terms of peace, as was the case for Egypt, were worse than war. Such is the grip of capital on history.

The impact of war is not solely physical. It is also ideological, because defeat and defeatism corrode the sovereignty required in anti-imperialist struggle. War reshapes the interrelations between security, sovereignty and economic development in a way that ensures that the terms of war linger on in peace. Without doubt, sovereignty and security and their requirements impact both the interrelated processes of the strength of the state, regional integration and economic development. Wars hinder development or deconstruct states by imposing a different pattern of political and economic development in line with the alliance between Arab ruling classes and US-led capital. In this dynamic, the degree of subordination of national ruling classes to US-led capital determines development. Development in relation to security emerges as an outcome of the multitiered power structure, the resultant vector of which is US-led capital, for which oil and war are essential.

## Chapter Six

# DISLOCATION UNDER IMPERIAL ASSAULT

As argued in previous chapters, poor development in the Arab world follows from the politics of imperialist aggression and subordination at the interface between 'free market' policies and their anti-outcomes. The stranglehold of free-market ideology is evident in the fact that despite the world being mired in a global crisis in which under 5 per cent of the population live in extreme poverty, thirty-five million die each year from hunger or its immediate aftermath, and one billion are permanently and severely malnourished (Ziegler 2011). There is any longer voice alternative policies such as land and income redistribution, nationalisation and self-reliance. It is probably unprecedented in the history of so many people unconsciously share the same belief in the market dogma. The depth of the schism on the Left is that even the socialist 'brand names' of the North, Trotskyism and Maoism, which exhibit a puny presence in the South, still mull the idea of revolution did not arrive in Weimar Germany when the devolution of the colonies appeared trivial. Where the geographic limits of structuralist end, the ideological stance masked by social science becomes the presence of a Left organised around the straitjacket of bourgeois economics as opposed to the necessity of violent struggle, is all on its own as how detached socialist ideology has become from the working class consciousness of capital's ideology as the social unconscious that distorts the consciousness of working classes exceeds the notion of ideology by Althusser. In the present epoch, 'people' more than create ideology because these conditions of existence are themselves alienated (1971). By the fetish of Islamic Ummah and Islam deployed in mobilisation against the working classes everywhere, Left liberal this virtual reality into something real to justify its collusion imperial assaults on the Islamic world. Western universities at Islamic studies courses relating present-day developments to the