

Development in the Shadow of Imperialism

Abstract This chapter investigates development in the shadow of imperialism. Asian and Arab worlds are similar in their fundamental social relationship, capital, but dissimilar in what they have become because of shifting class and power relations or their respective mode of integration with the global economy. Each case of development can be attributed to the specificity of the development/security nexus triggered by an imperialism pursuing its interests. Unlike EA where inter-imperialist entente lengthens the time horizon amenable to long term gestating and productive capital formation, the Arab security/development nexus not only absorbs the central economic surplus, but also reinforces commercial exploitation and under-valorisation in price terms a whole range of third world resources and inputs. War is not only about the destruction of assets, it is also the social relationship organising the reproduction of these assets during and after the conflict, especially the sustainability of the reconstruction effort through shifting ideological and institutional reorganisation patterns. This chapter will discuss the primacy of imperialism, its logical precedence and power over history, and how its practice makes or breaks development.

Keywords Economic surplus • Monopoly capital • Financialisation
Economic development • War economy • Imperialism

Asian and Arab worlds, then, are similar in their fundamental social relationships, but dissimilar in what they have become because of shifting class and power relations as two different materialisations of the same social relationship, capital. It is through historicising the practice of imperialist expansion that the cross-cutting relationship of capital acquires a somewhat nebulous geographic shape determined by the Cold War demarcation lines, and later with the inter-capitalist divide between US–Europe and China–Russia. This chapter will discuss the primacy of imperialism, its logical precedence and power over history, and how its practice makes or breaks development.

DEVELOPMENT AS HISTORY

The emergence of industrialising states in the AW in the immediate post-independence period, their decline since 1980, and the continuous rise of EA were specific to their respective regions and the international context of each one. In EA, the regional context exhibited threats to the integrity and independence of countries, which triggered their class patrons to ensure the required resources and economic power to buttress their security, but which, as Petras (2008) emphasises, grew in the shadow of American military adventurism. Threats were also present in the case of the AW, but these threats were more frequently acted upon, and many Arab states were the subject of recurrent military assaults and defeats. Moreover, as of the mid-1970s and the end of the Vietnam War, the EA region, unlike the AW, experienced a state of conflict-defusing that allowed it to expand its productive capacity (Petras 2008). The East Asian market-driven development also picked up speed after the flows from Japan rose following the Plaza Accord in 1985. The higher Yen converted to cheaper dollars provided financial support to the growth momentum of EA, bringing into the fold the second generation of so-called Tigers. Although the alleged ‘intensive and long-term military threats faced by South Korea and Taiwan’ provided the incentives for ruling-class cooperation that ensured state cohesiveness and the motivation for economic independence, as well as a commitment to industrialisation (as in Zhu 2002), the international powers’ military stalemate is what principally provided the space for their specific course of development. It is rather droll how a Western imperialism, which is both leading capital and perpetrator of war by historical necessity and that for centuries had ransacked nations abroad, has allies in Taiwan or South Korea worried about the incursion of *barbarians* from China or North Korea. What

is droller is how the cultural introjection of the empire's cant by foreign subjects leads them to speak in the empire's orientalist tone (Orientalism as per the original Marxist interpretation of Anouar Abdel-Malek). However, in the AW, successive defeats, the retreat of Arab socialism, and petrodollar infiltration from the Gulf states that crushed national exchange-rate regimes and regulated-capital accounts, bulldozed any notion of progress and unleashed their ruling classes' desire to expand as merchant/comprador classes whose growth depended more on the global financial market than on building national industrial capacity.

EA's economic growth, development and industrial transformation grew in the crevice of an international stand-off. In contrast, wars in the AW, especially Israeli blitzkriegs that cost little but proved of tremendous ideological value to the USA as it positioned itself in the pilot seat of a very strategic region. The perception that there are strong states in EA as per Leftwich (2000) as a precondition for sovereignty and independence is adequate conceptualisation only after a sober-minded calculus that assesses the state as the actualisation of cross-national class and imperialist structured power relations—imperialism is atop the pyramid of power. There is a streak of liberalism whose purpose is to beautify imperialism by highlighting its home-democracy, a good capitalism in Europe versus the bad capitalism of its former colonies, from which few Western scholars cannot escape. Alas the white man burden, too many bad noble savages remained alive to spoil the European plan for a better world. Broadly speaking, East Asian economic development has been a way to furnish the resources necessary to lay the bases for cohesive states, whereas in the AW the dismantling of state security and development, regime change and the inciting of conflict were the goals US-led imperialism. In the case of EA, economic development was not an end in itself, it was meant to securitise the frontiers of imperialist expansionism. For Castells (1992), East Asian development was a way to become competitive in the world economy and a way of 'surviving' both as a state and as a society. The mainstream cliché of *surviving* under 'communism', which had evidently displayed higher human development indices than capitalist development, is too much of a propaganda item. It is as if the victims of daily genocide caused by capitalist policies and the colonial/imperialist massacres, not to mention the millions who perished in the Korean and Vietnam wars under American bombing, were yearning for the safety of *pax Americana* and its drones.

The post-WWII socialist advance across Asia was too significant for the USA to overlook and not to fortify its class allies in potential

confrontational outposts. For Woo-Cumings (1999), the main push in the developmental state was nationalism being dictated by the exigencies and requirements of national 'survival' and mobilisation in a twentieth century dominated by bigger powers; here is another mention of *survivability* when facing the advance of 'communism'. At least on the basis of ideology, it is capitalism whose practice necessitates a lifeboat ethics and survival for the few and not socialism. Nationalism, *causa sui*, is vacuous everywhere but more so in a peripheral context where empire builds an industrial project by which a tractor can be easily converted into a tank to fight the advance of communism or national capitalism. US-sponsored rabid nationalisms are fascist-like by the extension of its ideology that demonises the enemy (communism). To be sure, fascism is a central capital phenomenon on loan in various forms to some of the USA's third-world allies. As a case in point, the imperialist wars visited upon Iraq have proven that they were not a case of imperialism against fascism (a point popularised by Fred Halliday when he supported the US invasion of Iraq); the modes of political organisation by which a developing country struggles against imperialism cannot be fascist because the developing world's anti-imperialist struggle is itself working-class struggle. Fascism is reared progressively by liberalism and social democracy in response to the deepening crisis of central capital (Browder 1933).

The compromising position of European social democracy beginning with the German Social Democratic Party's (SDP) vote for the war credit in 1914 was a continuation of a whole history of central capital re-organising the home front to carry out the practice of imperialism. As social existence determines consciousness (Marx 1859), capital bestows inherent rights and entitlements to a Western labour whose higher paid echelons derive their consciousness partly from imperial tribute. The question why so much of Western labour rally around a nationality that sees fit the droning of starving populations abroad is taboo in mainstream science. It would bring into question the fact that western wealth is based on a whole history of pillage.¹ Fascism, the intensification of the central capital relationship in response to a severe crisis, whose imperialist practice restores genocide on the basis of the construct of race, also raises the rates of surplus value within the realm of production *cum* class struggle. Rather than race-indiscriminate genocide as the type practised by twentieth-century social democratic imperialism, fascism as the more pronounced practice of race-based depopulation is a boiling furnace of

surplus value creation commensurate with the degree of the annihilation of the labourer—as shown in the previous chapter.

Imperialism as the practice of a ruling-class drawing legitimacy from the overly abstract virtues of liberalism, such as individual rights, as opposed to class rights, or American political correctness, has had enough of the ideological adhesive to partly justify any war against any Muslim nation, for instance, on the basis of Islam's alleged disdain for women—just as a particular example of sanctimony. However, the liberal adhesive is coming undone as imperialist war crimes thwart its progress and the cost in taxation to central working classes rises; resorting to more emphatic use of force against a specific group of people just to serve imperialist interest without the human rights cant is emerging in quasi-fascist overtones—as seen with the Trump administration. It is at this historical intersection that the media horrors of the Islamic state (ISIS) kindle the reversion to ultra-nationalism and the justification of imperialist war as a struggle against barbarianism. The Islamic State's (ISIS) potential contribution to war fillips accumulation by militarism. The mainstream's prize question of whether ISIS was has grown out of the vestige of Islamic culture is not haphazard. The choice of such question is the weapon of choice against the Muslim world. That an idea such as Takfiri Wahhabism or Twelver Shiism, which manifests itself as essence across time irrespective of concrete historical conditions- the disproven Platonic form-characterises the history of a real-world culture in which the real Sharia archives of the Abbasid courts contain litigation over alimony payment in a homosexual partnership is never questioned has much to say about the dogma gripping mainstream academia. Modern day Takfiri Wahhabism and Twelver Shiism are the two poles of social organisation that feed off each other's culture of war fuelling the domain of imperialist militarism. ISIS and Twelvers are not ideas from the past, they are wholly a by-product of imperialist history formed by conditions of the Abu Ghraib-like prisons or Shiite mullahs cheering the US's invasion of Iraq.

The interrelation between external threats, the building up of state capacities, and economic development brings the joint security and development issue to the fore. For Leftwich (2000), the connection between the development of military capacity and the power and autonomy of the state does not sufficiently explain the relation of state formation with war-making. Development requires a primacy of politics in which national forces erect adequate institutional arrangements and

target developmental projects with financial resources mobilising real resources.² However, the use of the term ‘state formation’ patronises the underdeveloped world. The state is polymorphous and forming everywhere—be they failed states or not. A European state such as Belgium of Leopold II is not an ideal type into which other developing states can form if they mature. State formation is just another term laden with Eurocentric bias. Europe could only have afforded its bourgeois-democratic state as a result of colonial plunder and the amassing of historical surplus value.

The state as a form of social organisation varies with the structure of class formations. The structural forms of the state, be it bicameral with an efficient bureaucracy or whatever, follow from its class history, or its class relations, culture, power and symbolism, which are also the balance of forces that allocate the social product. Primarily, development occurs when a higher rate of resources is reallocated to higher productivity industry and working-class income shares. Irrespective of whether government is vertically autocratic or, facetiously, horizontally democratic, it is the balance of class power nesting in the state that governs the allocation of resources in favour of development. To conceal the concept of class and search whether parliamentary-shaped governments generate development is to remain formalistic—some do and some do not generate development. What is not formalistic is that in a world dominated by the exchange of commodities; and it is that exchange and not human relationships that dictate the allocation of resources. With such fetisihism predictating the allocation of resources, it is the power of labour humanising the law of value that emits development.

The social structure and the state are continuously reshaped by the class struggle, so each state is definitively dissimilar from every other state, and at the same time similar in how it mediates its position vis-à-vis the global class struggle or its position/distance from imperialism. In the flux of competing global forces, the power characterising the whole reshapes the development processes of the part, and changes in development are better understood as a dialectic of historical continuity and discontinuity; (Marx’s definition of structure in the *German Ideology* 1845; Meszaros 2011). This remark from Meszaros is pertinent because what appears as continuous in real time is in its concrete form a series of ruptures, and as unfettered US-led imperialism and its ideology of neo-liberalism set the world on a path auto-degeneration, only big ruptures lie in store.

The Cold War's security umbrella for East Asian countries, in military aid, real capital investments, and guarantees of territorial integrity, is a prophylactic shielding the development/security structure from the vagaries of threats of war and volatile markets. In contrast to US intervention siding with Israel and taxing the Arab region militarily, in EA the USA partially relieved the breakthrough countries from their military burdens (Woo-Cumings 1999). In EA, it fostered the creation of an economy that reaped the benefit of engaging in the production of downstream civil-end-use commodities during the two major wars between 1950 and 1975. From the early 1950s until mid-1970s, South Korea and Taiwan were two of the largest recipients of USA aid in the developing world (Woo-Cumings 1999). The Cold War was also critical in terms of the economic windfalls that accrued to Japan, South Korea and Taiwan; US aid allowed these states to impose themselves, providing the necessary resources and to support and consolidate the security/development nexus (Petras 2008). As serious threats of war moved further away into the time horizon, these countries had to remain at the ready for a potentially large-scale war; a war that was put on hold by nuclear deterrence. In the interim, breakthroughs worked on cementing their national fronts via development that was materialised not only by realising their military potential, but also via the route of redistribution to lessen social disparities combined with ideological interpellation to strengthen national social bonds.

At the bare minimum of theory, war and technological innovations are socially alienated processes under capitalism. It is imperative for capital as expanding value to consume nature and human beings (Marx 1867). The dynamism of capital's growth, including the ideological pretext it uses to bend the social conditions for the requirement of growth, which range from labelling the colonised or ex-colonised as lesser humans to bombing them as part of humanitarian interventions, requires violence to set prices of developing world commodities below value. Imperialism, the violent facet of capital, seeks the possession of goods bereft of owners. The motto 'our oil (the USA's) under Arab sands' typifies this measure. Being akin to empires across history, this dynamic of forceful expropriation is more of an axiom than of a hypothesis. Under capitalism, however, the process of expropriation *qua* commercial exploitation follows the requirements of the law of value (what fetishism orders us to do), which is an ontological condition of capital; it is what capital does as it assesses the value expropriated or traded with the developing world on

its own terms and in its own unit of measure, which entail the imposition upon the developing world of all forms of repression, financial hegemony and severe austerity.

What is meant by this dialectic of continuity/discontinuity? Borrowing from Marxian method, one can posit that the continuity is the outside manifestation of discontinuity or, respectively, the abstract concept of a more concrete condition resulting from the spasms of the class struggle. The instantiation of commercial exploitation in the sequence of the historical events constituting the historicity of capitalism from the days of chattel slavery, to the massacres of natives, to colonialism, to world wars, to the ongoing wars and starvation as one writes, should not be examined by the peculiarity of each successive event. It is the context (the law of value) leading to the repetition of such events that matters—not each elephant in the room (each single event) but the room itself (capital as history). Although Marxists stooping to the level of pragmatism to show that colonial/imperialist pillage is significant in dollar terms sacrifice much content of Marxist theory, but they do so to engage a mainstream social science that just takes things at face value and lets ‘supply and demand prices’ determine the degree of surplus. Mainstream science is subordinate to power and it thence must minimise the historical surplus value of colonial and imperialist pillage and neglect how the sums of values contributed to the rise of European capitalism and the industrial revolution. However, science must look behind the given surface; it should investigate the class and power relationships making prices what they are. As discussed in the previous chapter, value relationships are hardly quantifiable because value is subject/object and its alienated relationships (fetishism) are the predicates without which capitalism would not be the special case in history that it is. For Emmanuel (1972), the money measures with which values are quantified, the currency of the colonial powers, are the product of a building store of unequal power that progressively had cheapened the contribution of the colonies, accentuating unequal exchange. For instance, what is the contribution slavery and resource grab from Africa to the rise of capitalism when the prices of these exports were paid in moneyed value set by the colonist at the cheapest possible rates. Moreover, to deepen the unequal exchange platform, Europe required the de-industrialisation of the East and Africa so that none of their development could translate into competitive power (Emmanuel 1972).

Thus, for a more fitting quantitative measure of the colonies’ contribution to European capitalism to even remotely apply, it would have

to take into account the rise in European wealth relative to expropriation and destruction of third world humans, culture, industry, and assets as necessary corollaries and intermediaries of production measured in value terms. Jafe (1980) estimates that 500 million people were killed by European colonists since its onset in the sixteenth century until 1900; not counting the twentieth-century imperialist-war related deaths, which could be as high as another 500 million (the global death level related to war and its ramifications). Figuratively, as one is forced to quantify the unquantifiable, the value of one billion lives is just a rough the estimate of Europe's wealth and the reason why it rose before the historically much more advanced East.

NEW FORMS OF COMMERCIAL EXPLOITATION

The issue of commercial exploitation cannot be fully covered without broaching the issue of how war bears upon unequal exchange (Emmanuel 1972). Conflicts and wars in the Third World act as measures of primitive accumulation on a massive scale—they socialise more than just the evicted peasantry (depriving the private labourers from their tools and making them into social or wage labour), they socialise the national assets by depriving a nation from its means of political control over its sovereign territory. Unlatching resources from their owners, by means of war or neoliberalism, is the new form of slavery that capital requires as it grows. Note should be made to the effect that severe bouts of neoliberalism can sometimes be just as bad as wars. In a few peripheral countries, dislocated labour and resources are reengaged in a virtuous transformation, but that is just the precious few. Profit rates conveyed through price signals that social-time wise guide the redistribution rates of socially necessary labour time, necessitate the setting aside of human resources and perverse development. Expanding a point that appeared in the previous chapter, when social repression eviscerates labour's political agency, as in the destruction of states or organisational platforms that intermediate labour's revolutionary consciousness, the process of dislocation by encroachment wars turns into an extreme case of commercial exploitation—the AW and Africa are protruding cases. Just as chattel slavery (an early form of commercial exploitation) was the *pedestal* of rising central capitalism according to Marx (1893), capitalism never stopped rising and it required more of the commercial exploitation. In surplus value-centred accumulation terms, the commercial exploitation incurred by the

Arab region is the newest version of many preceding *pedestals* supporting industrial development elsewhere; in reference to Marx (1867):

Whilst the cotton industry introduced child-slavery in England, it gave in the United States a stimulus to the transformation of the earlier, more or less patriarchal slavery, into a system of commercial exploitation. In fact, the veiled slavery of the wage-earners in Europe needed, for its *pedestal*, slavery pure and simple in the New World. (my emphasis)

With profit rates assuming the appearance of rates of surplus value derived from higher rates of exploitation, it was compulsory for European capital to engage in acts of commercial exploitation from the start, since capitalism was born in crisis from the start (Marx 1893). The rate of expansion of commercial exploitation in ever-mutating forms of slavery, the colonialism and imperialist assaults stripping whole nations from their will to govern themselves, in addition to severe austerity, re-mitigate otherwise falling rates of profit. Such barbarianism brings into focus the falsity of the Eurocentric argument that capitalism is essentially progressive. It is only progressive for the intelligentsia of aristocratic nations partaking in imperialist loot (aristocratic nations as per Emmanuel 1972).

To be sure, Emmanuel (1972) did not underplay the role of the often-fierce struggle of the central working classes to win a higher share of the value of their own labour. However, central wealth includes the imperial rent component in which the classes of the colonising formation partake. The early imperial rents contributing to the transformation of merchant capital into productive capital (circa sixteenth century) ushered the forced eviction of the peasantry from the countryside, albeit, with the means of ‘blood and fire’ as Marx notes in Capital Vol. I (1867). Not all imperial rents were a bonus to the European working classes. Imperial booty infused wealth did not just trickle down to a passive working class as rent or bribe in the aristocratic nations. Central working classes fought for better wages and shorter hours, and in so doing they have shown certain aspects of capitalist progress. Central working classes also fought against chattel slavery in the West Indies and the USA and their struggle contributed to emancipation. Then as now, so long as struggle targeted the production of value sphere and not the sphere of circulation: equal pay for equal working conditions and not a pay rise to one section of the working class at the expense of another—reform targeting the sphere of

circulation has always permitted imperial rents to boost wages in order to strengthen capital. Capital was not so distressed with unions demanding higher wages without attaching an end to imperialist assaults and higher worker-pay abroad for similar working condition. For the struggle to be fruitful, there has to have been a *defining* mediation of the nationalist agenda into internationalism. The fact such internationalist development was consistently stymied, as Emmanuel pointed out, could only mean that capital was and still is successfully intervening at the opportune moment to undermine internationalism. To one degree or another, the rise of central wages included an imperialist bribe component. There was a payoff to pit the central against the peripheral working classes. I am simplifying the relationship against a central/periphery backdrop for the sake of clarity, when in fact ‘western’ is an ideological descriptor and the class relationship is a cross-cutting class relationship—there is also a payoff to sections of peripheral intelligentsia and labour aristocracy to support imperialist assaults.

Privileged sections of the central working classes develop a consciousness, positively correlated with imperialist practice, because imperialism is at the root of their material circumstances of reproduction. Here arises the concept of aristocratic nations. The concept underscores the difficulty in transforming central working-class consciousness into revolutionary consciousness. For so long Western workers flogging around a nationalist identity, repeatedly paid for and imposed upon them by the state, have provided capital with its outstanding resilience. Political centrism is engrained in the historical culture and symbols of the central working class. There is but second-hand emotion for the starving, injured and dead in the third world, which through the element of state sponsored fear routinely turns the Western working class onto itself.

To illustrate the ludicrousness of social democratic theories that begin to raise concern only when the crisis of Europeanism deepens, see Martin Wolf’s (2016) scathing critique of Streeck’s work on the end of capitalism (2016). Wolf sardonically ridicules such prophecies of capitalist collapse; he says: ‘countless intellectuals, including Karl Marx, have forecast the imminent or at least inevitable end of capitalism; capitalism has always survived’, and one may add that it will continue to survive as long as the money-worthless millions in the former colonies are not the starting point of internationalist struggle. There is a huge volume of capitalist sponsored cultural anthropology work, which is available to fuse with the liberal culture of Europe and produce a new fascism whose bond is not

race, but a cultural superiority of people who can afford liberal rights. In the absence of internationalist working-class organisations, central capital inexorably reorganises itself into some form of fascism.

A caption from one paragraph by Martin Wolf notes that the relationship between democracy and capitalism derives from a belief in the role of people as active citizens and economic agents; in the former role, they make decisions together, in the latter, they make decisions for themselves. Here he is also reminding Streeck that we vote for the war together and we reap the benefits individually. This prosaism is rather similar to the one made by Milton Friedman when he reminded economists who were critical of capitalism not to bite the hand that feeds them. Social democracy bestowed upon wealth creation an exclusive Western identity; its omission of the third world from the value chain is not oversight, it is racism pretending to be wise. Social democracy severs the organic ties of international labour, especially through its tarnishing of Stalinism, which is mainly the ideology of third worldist Marxism. Is it not a class position that so much Western left is anti-Stalinist while third world left is pro-Stalin? In Althusserian language, within the political, ideological and philosophical struggle, the words are also weapons, explosives or tranquillizers and poisons, and occasionally, the whole class struggle may be summed up in the struggle for one word against another word (Althusser 1968). Such divergence in the cultures of First and Third Worlds lends support to idea that social democracy supplements the rule of capital in the centre. By idealising bourgeois democracy, as in making it into an end in itself, and conscribing the production cycle to its own time and space, social democracy theorised the wrong object and practised the wrong theory.

In view of the endogenous rise in technology as a result of inter-capitalist competition, the degree of progress as manifested in prolonged life expectancy can be judged as advancement or retrogression relative to the historically determined standard of living and by the value system espoused by one social class or another. The discovery of life prolonging medication such as the early anti-parasitic drugs for Malaria first discovered to treat a disease inflicting British cattle and or the better hygiene of the electric showers enjoyed by native Americans are some of the infinite offshoots of modernity that do prolong life expectancy. Relative to an absolute benchmark in pre-capitalist history, capital can boast that it ushered progress. In between pre-capitalist history and modern history, capital will also have to repeat the point that Madeline Albright made

in justifying the killing of 500,000 children in Iraq: *it was worth it*. It was certainly worth it for the cross-border ruling classes whose wealth and power have always risen by imperialist or colonial wars. However, what is factual and objective is that the minimum level of subsistence derived from greater wealth creation under capitalism must rise (technological growth is independent of social control by the degree to which anarchic capital guides social reproduction). While the ruling classes that judge capitalism as progress will always flaunt the falsity that Europe saved the world from stone-age living conditions and compare present day wealth to the meagre wealth of the feudal age, the majority working classes remain far too immiserated relative to the historically determined income. Formulaically, given the collapse of socialist organisation and ideology, income and wealth disparities are set to rise to the point where capital's ideological hegemony begins to wear out as higher private wealth accumulation wipes social concerns or to the point when another major inter-capitalist war dawns. However, formulas and history are a poor mix. As the rising velocity of exchange compresses social time and space, there will be so many circumstances in the dialectic of history where coincidence transmutes into the necessity for the rise of labour.

DIVERGENT PATHS

It is in the articulation of cross-border classes realised in forms of sovereignty, security and/or conflicts that a possible interpretation of the contrasting outcomes of winners and losers in EA and the AW can be derived from or across their proper regions. This articulation turned out to be conducive to a *particular* form of economic development in EA, confirming the relationship between security, residing in the shadow of US-led imperialism.³ By contrast, in the AW, the development outcome followed the path of war defeat with the introjection of the notion that imperialism is unbeatable, leading to social restructuring serving private ends, manifest as the creation of a merchant/comprador class that accommodates the condition of surrender by relinquishing the development-security nexus. Unlike EA, where the self-reinforcing relationship between the requirements of national defence and economic power boosted autonomy, the metamorphosed ruling classes in the AW adopted an 'openness' framework in which resource outflows and value are bled from the share of an already debilitated working class. Multiple incidents of conflict and instability, literally as well as figuratively oiling the power

of militarism, were the main conduits of global integration and the main impediments to Arab development and economic growth (Kadri 2014a, b).

The baleful impact of conflict that has been writing off development or its prospects in many developing countries could not but be recognised by the most laggard of institutions, the United Nations. The UN's *High-Level Panel on Threats, Challenges and Change* notes: 'In an increasingly interconnected world, progress in the areas of development, security and human rights must go hand in hand. There will be no development without security and no security without development' (CHS 2003). Yet in typical half-truth language, the Commission on Human Security reduces security to its fragmented manifestation in 'human' (individualised) security; in this way, it blurs the power structures behind its determination. It obscures the fact that human security follows from national and communal security wrought through the tumultuous process of working-class struggle, which indubitably follows from the relationship of the national (developing) structure to imperialism. More so than in other developed areas, in threatened developing countries, like the AW, security cannot be reduced to its indefinite and symptomatic subcomponents of income, food, health security, and so on. Threats to individuals exist beyond the dissected concepts of security of person, security of housing, etc., as defined in the Universal Declaration of Human Rights. These threats, rising in intensity in post-uprising Arab nations, hinge on deteriorating national and regional security arrangements. National security as a totality of social and political variables presupposes all layers of security, including security of person. The point that individual security cannot but follow from national security is foundational to the justification of the structure of sovereignty; the point has been re-iterated by Frances (2004). However, communal security or forms of social cohesion associated with working-class organisations are both muted in his argument. Communal or working-class associated security is a prerequisite for demand-led development, and at a further remove, as incremental independence from wage slavery—autonomous working class—based development.⁴

As posited so far, the threats to state security in an EA context were potentially serious but not as frequently experienced by the AW. An East Asian breakthrough's 'integrity and independence' is subsumed under that more powerful US-led imperialist security cover, including the channels by which foreign resources sustained development as part of building their long-term security structure. The case may be that the

long-term military threat faced by South Korea and Taiwan both provided the incentives for ‘elite cooperation’, ensuring state cohesiveness and the inducements for economic independence and power, and ensured a commitment to industrialisation (Zhu 2002); however, that threat was more of a threat to US hegemony. The specification of the concept of ‘threat’ itself is not an arithmetic calculation between the perceived threat and the potential unreliability of US support, which would induce the Japanese trained elites in South Korea and Taiwan to industrialise-securitise. Threat is the self-evident circumstance in international relations and it exists as the image of underlying international class/capital relations involved in predatory accumulation. In the context of EA, threat is the condition that could undermine the US-led integrated capital relationship, its hegemonic imperialism combined with US-bound capital flows, to which East Asian states and other subsidiary forms of social organisations are media of imperialist power reproduction.

Unless a historical trajectory is considered in terms of different cooperating circles of capital by which the USA hitches ‘Korean or Taiwanese elite cooperation to industrialise’, as a means to an end for ensuring imperial stature and the circuitous rent arising from China/North Korea containment, Zhu’s idea of a developmental state that would retreat as the threat diminishes while China grows does not hold. According to the International Monetary Fund (IMF 2016), the US share of world production is 16% while China is at 18% and by 2020, the USA will produce roughly 15% of global output compared with China’s 20% (measured in PPP from the World Economic Outlook database of the IMF). Growth *a la doux commerce* as Zhu had postulated would not smoothly integrate China into the US-led financial order; it would do exactly the contrary. As China’s market share and dollar-denominated wealth grows, its dissatisfaction with dollar peonage, or of holding its wealth in US currency, would grow. The more China’s wealth is not its own (dollarised), the more of the soft ‘threats’ it would transmit—its Asian Infrastructure and Investment Bank (AIIB) and new payment systems parallel to the SWIFT adumbrate a desire for autonomy. With the power of hindsight, it is this trajectory of unacceptable Chinese autonomy tilting the hard-cast law of uneven accumulation laid down by the power of US-led capital that practically dispels the notion that US-empire had abandoned, even for a moment, its objectives in Chinese containment. As will be discussed in the final chapter, the hard threat is US-led aggression and the real life-buoy is an alliance of working classes undermining capital.

The growth of China appears to have undercut the US-led capital hegemony remilitarising Asia to the point where the breakthrough states might be potentially drained of resources by excessive tensions. However, once the class context supplements Zhu's point, then the historical context of capital accumulation to which war is innate will no longer be the state devoid of class content that threatens, it will be classes and articulation of classes that threaten. Class power balances broker the development trends. War, or not war, will depend on how deeply entrenched has become the war-inclined comprador-class culture in China and EA.

In contrast, Arab lumpen development arose through the high incidence of conflicts, political instability, eroding the development component of security in the state. The higher the security exposure of an Arab state, the more comprador becomes its ruling class. Zhu's (2002) indictment of war as it shifts government attention to day-to-day concerns instead of long-term goals applies to the AW with the added nuance that most Arab governments, as structural representations of ruling social classes, have abandoned much of the national base. Their day-to-day concerns coincided with the concerns of an imperialism whose purpose in the region is its de-development. Avramidis (2006) discussed the slow rate of Arab capital formation and linked the declining quality of investment (low output-capital ratio) and torpid investment rate to uncertainty plaguing the time horizon.

Uncertainty here is not so much the probability associated with risks around a stochastic time series, which can be assessed by an actuary. Additionally, uncertainty is not a case of an individual decision maker or the decisions of many individuals summed up and suddenly deciding to reverse a course of action making matters unpredictable around a trend as in time incoherence. The position of analytical philosophy that social science differs from natural science because a human being situates himself or herself in the present in relation to where he or she wants to be in the future (Cohen 1953), the sort of voluntarism that is not to be found in an atom whose position in the future does not determine its present position, overlooks the fact that agency is the agency of the political class as a historically and ideologically determined process. It is not any individual agency, or its summation, which count as historical agency. It is the intermediated and politically relevant class action, which springs on the basis of historically bequeathed real and ideological powers. The political class as the mediated process, which is a being in itself

(autonomous), and which acts in rapport to the objective and constantly shifting ideological grounds that regenerate its power, is the agent of history. Because ideological shifts are the resultant products of contingent class struggle, uncertainty, including the possibility of revolutionary rupture, are also bound up with social or qualitative time and are immeasurable and unpredictable. They simply do not lend themselves to any form of plausible prediction. Moreover, the problematic of building a genuine anti-imperialist development and its associated capital stock is not so much about the uncertainty of time incoherence; it is about the degree of revolutionary class consciousness and solidarity.

Moreover, unlike EA, which receives the highest capital injections and FDI inflows, FDI to the AW amounts to less than 1% of all FDI flows to developing countries (UNCTAD-WIR 2015). Regional instability, through erosion of market-driven development, especially national agricultural production, has widened the reverberation of recurrent conflicts onto the whole of the Arab social structure, decapitalising both material and human assets. National forces or ‘elites’ managing conflicts is not what differentiates EA from the AW; it is the balance of forces provided by the historical moment, particularly the balance of military forces and the low-risk/low-cost of war when visited upon the Arab states. In addition to the number of conflicts being significantly higher in the AW, its capacity to manage conflict was decimated as a result of class disarticulation swinging the ruling classes away from a nationalist position, whose reproductive base and ‘legitimacy’ springs from the national formation, into compradors. These compradors go through stages of development: they first bleed the national economy and then metamorphose into a war bourgeoisie willing to set ablaze their own social formations at the behest of US-led imperialism. The EA entente left smaller East Asian breakthrough states in the position of advanced imperialist posts endowed with the luxury of US military coverage and financial aid, which only Israel enjoys in the Arab region.⁵

There is a glaring similarity between smaller well-armed and advanced states in EA surrounded by a sea of highly populated poorer regions involved in lower-value-added manufacturing activity and an Israel, surrounded by immiserated or war-torn countries, in many of which the proletariat has become a war-indigent proletariat engaged in the ‘industry’ of war. The war proletariat contributes to imperialist hegemony, monopoly/finance surplus realisation, heightened militarisation, the attendant growth in financialised imperial rents as a result of financial

assets seeking the security of the US market, and as of late, through the magnification of identity wars to eroding internationalist ideology. As discussed in the previous chapter, besides the war-proletariat's crucial position in the domain of militarism, their rate of exploitation, which includes death in war and related dire effects, is far higher than that imposed on the working class employed in the sweatshops of Asia or anywhere else around the world.

Another common denominator between richer small states in EA and their counterparts in the Arab region receiving rents or geopolitical rents rests in their capacity to devolve higher wage shares to labour and resurrect cultures of ultra-nationalism—as in the new Gulf Arab identity. Although industrialisation and the indigenously grown knowledge economy would spur a culture of responsibility and engagement across identity divides (the sociological interactions attendant upon the expansion of the social factory floor), the rent component sows a culture of ghettoism, politicising narrow identity values that rip apart the foundation of working class unity. One must note the exceptional case of South Korea and the repression of its working class, which required more than just passed-down pay-offs to be disciplined, partly because for the Korean workers and their organisations, the US-led slaughter was still vivid in their memory. Here emerges the Achilles heel of East Asian development or the idea of high growth rates unmatched by cultural and social progress of which the devolved higher standard of living is a payoff to maintain capital's rule. The bigger, more populated nations in EA, like Indonesia, were integrated via sweatshop arrangements from which surplus value arises by super-exploitation, while for the AW, super-exploitation pales in significance when compared to the high rate of exploitation arising from commercial exploitation through the medium of war.

According to SIPRI's *Dataset on Armed Conflict* (1946–2005), the Middle East has witnessed 51 years of war compared to 15 for the countries making up the 'Asian miracle'. There is more to the assessment of conflicts and their impact than simply approximating their physical damage or the forgone investment due to risk. Whereas nuclear deterrence exists on both sides in EA, in the Arab region only Israel possesses such weapon. So even when war was not taking place, the magnification of the threat of war with a superiorly armed enemy in possession of nuclear weapons distorted the formation of a culture of popular armed resistance. The Israeli nuclear weapon became an ideological weapon facilitating the introjection of defeatism by Arab comprador

for whom imperialism is a natural ally. Since 2011, nearly half the Arab states have been at war, and most are in a condition of low-intensity conflict. Nevertheless, quantitative exercises assessing war damage bundle in the category 'conflict' in any violent intra- or inter-state conflicts with varying economic outcomes whose immediate or circuitous effects on the social structure are indistinguishable. The way in which the national social structure internalises the ideological impact of the war event itself is intrinsic to the war process and may or may not deal efficiently with the outcome of the war at the end of the fighting. The material impacts of war in deaths, injuries, damage to infrastructure, etc. are significant, but their significance varies with the nation's ability to deal with their immediate outcome and aftereffects. In any case, war is not only about the destruction of assets, it is also the social relationship organising the reproduction of these assets during and after the conflict, especially the sustainability of the reconstruction effort through shifting ideological and institutional reorganisation patterns. Unlike EA where some autonomy remained to guide reconstruction, in the AW, imperialist aggression is essentially a kind of re-colonisation, which is about stripping peoples of their political will. This time around, the re-colonisation of the AW is taking place not through immediate command of the host country by ground forces, but by the debilitation of the state and the fragmentation of the host country into an un-governed territory.

As to re-colonisation, the ideological assault precedes the actual violence, and identity divisions are reconstituted in much the same way as cultural identity was politicised by the colonially engineered Arab state (El-Solh 2004). Even though feudalism was the womb in which identity/sectarianism was conceived, modern sectarian and anti-working class identity is a product of colonial production relations as opposed to pre-capitalist relations (i.e., as a political agency it is not the result of its pre-capitalist historical origins), because it is the form by which the colonially spawned bourgeoisie exercises its class power (Amel 1980). Reconstructing cultural identity into divisive or sectarian identity is the new social-science vogue of mainstream institutions that employ identity experts *en masse*. It reinforces by interpellation the ideological division of the working class, by pitting identity against class (Lee-Boggs 2011).

Trafficking in identity politics, the politics of anti-working class solidarity, which is repeated ad nauseam to inculcate the reconstructed 'other', is similar in its psychological impact to advertising two competing brands of the same monopoly: the Buick versus the Chevrolet brands

of General Motors or the Sunnis versus the Shiites of imperialism—it is false competition. In the mainstream (liberal and mass-media) discourse, it is common to speak of this or that identity, such as the white working class, as if it were a distinct class unto itself. But class lines criss-cross the identity label and structurally a class, which is itself a relationship to other classes, knows no rigid boundary. An identity-based class does not exist and classes cannot exist without cultural identity. There is no such thing as white or Shiites classes, these are ideological constructs designed as tools to obscure the reality of class in the USA and elsewhere and, foremost, to divert increasing surplus value to capital.

On its own, identity is a fluid cultural state, an amorphous concept in which any characteristic or variable is a function or subset of any other variable. Apart from the fact that through obscuring the objective material conditions upon which a social class rests via the construction of imaginary historical bonds that splinter workers' solidarity, it also, for the same reasons of not having a materialist grounding for evolving forms of consciousness, lacks a systemic rule or framework that admits an analytical or political understanding of the relations of individuals to collectives. The *modus operandi* of regressive identity politics is to blight the ability and the forms of political organisation of the working class to command a higher share of the social product. There is no class without identity, but regressive identity is an end in itself as opposed to identity growing out of itself into working class solidarity. Culture, exhibited in political identity forms, is both cause and effect of class and each constitutive of the other. Together they form a complex overdetermination that emerges in class structures, of which the state itself is a manifestation of class structure and is overdetermined by class and culture (Althusser 1994). However, the category of imperialistically-devised identity, a concept so fluid such that anything can stick with anything, is not the autogenous continuation of trans-historical values; for the imaginary to be real, such a schism has to be backed by the flood of interpellations awakening and transforming cultural values into political rallying points. It is after all through the disarticulation of consciousness—the mode of perception by which workers invert reality to justify their internecine relationship—that capital hijacks labour's historical agency.

Instead of the normal multiple identities that people enjoy, an exclusive political identity was forced upon them by all forms of ideological indoctrinations and institutional constructs, including constitutionally imposed procedures, which leave the individual with no choice but to

belong to that specific group (Hobsbawm 1996). Through such combined assaults by comprador regimes and an imperialism parading as protector of minorities, or as vulnerable to Islamic terrorism, new Arab sectarian forms and Salafi Islamism have become economic and ideological assets to capital. In times of socialist ideological retreat, the sharpness and speed of identity reconstruction accelerate the political implosion of the working class and the rate at which the share of capital from the social product (formerly accruing to the working class) rises to keep pace with exponential profit making.⁶

Post-war reconstruction carries different meanings in different contexts: Arab reconstruction builds divisive identities standing above the state while East Asian reconstruction rebuilds industry and a state that is an institution of all institutions, albeit as an additional prop in imperialist security. As Naqib (2016) observes ‘all the literature on Arab post-conflict reconstruction has one and only one purpose, which is to divert attention from the ongoing conflict and to occupy the minds with hallucinations; it should be exposed for what it is’.⁷ Naqib bases his affirmation on his long time study of aid to occupied West bank and Gaza, where aid to alleviate the damage to the local economy inflicted by Israeli bombardment or colonial economic asphyxiation has the bizarre effect of reimbursing Israel for the very damages it actually inflicts (UNCTAD 2006). Since nearly all the material equipment and incremental increase money supply required for reconstruction by the occupied territories must originate or pass through Israel, the economic performance of the Israeli economy improves by the degree to which it damages the occupied territories. This cycle of ‘occupy or bomb and earn immediate dollars’ for the damages you perpetrate applies to broader areas forcibly integrated with the global economy by means of war.

Compared to the post-WWII imperialistically led Northeast Asian reconstruction experience, the word ‘reconstruction’ assumes a polysemous character when thought of in an Arab context. US aid to post-war South Korea was so significant such that Moon and Park (2003, 80) unequivocally state ‘were it not for American bilateral aid, South Korea would have never recovered’. The authors extoll the initial high level of bilateral aid amounting to more than 10% of GDP and other legitimising measures and financial assistance conducted through the *United Nations Korean Reconstruction Agency* (UNKRA), which incidentally was mostly US-funded as well. But what is are not the numbers themselves, but the

degree of autonomy afforded to the South Korean authorities and the meticulousness with which the USA followed up on the implementation of the reconstruction plans.

By contrast, recent reconstruction efforts in the AW further deconstructed the state and the unity arising from national identity around the state. Through imperialist-imposed statutory measures laced with geopolitical rents, reconstruction was a partial reconstruction of physical assets with the purpose to reconstruct inter-warring identities. To commence with, the wars in the war-afflicted Arab countries never halted entirely to allow a genuine rebuilding process. In an Arab context, the reconstruction effort was a measure to promote the objectives of imperialism in setting the background for continued war and/or the dissolution of the development achievements that would otherwise buttress the future security of the state. Not that there is much novelty in such a proposition; it is the thesis of this work that empires across history build or deconstruct in line with their interests. In recent literature, a parallel is drawn between Clausewitz's interrelationship of war and politics as it relates to the act of reconstruction as continuation of politics by other means: 'reconstruction was in some sense a continuation of the struggle to achieve through political means the aims for which the war (the American civil war) was fought' (Bassford 1994 referring to General Grant's comments about president Andrew Jackson's reconstruction measures for the South). In relation to Arab reconstruction, Jacoby (2007) concludes that 'the hegemon uses post-war reconstruction processes as an opportunity to preserve and extend an international order friendly to its principles, its security and its prosperity'.

The dimension of political economy that is overlooked in such statements/by such authors is that unlike pre-capitalist modes, the tribute to capitalist empires occurs through financial channels during crises of overproduction. In pre-capitalist phases of history, it was necessary for empires that grew with constant or decreasing scale technologies to build and maintain life in order to reap higher tribute—the healthier and more numerous the peasants, the greater the social products. The distinction with capitalism is that in the pursuit of profits, more commodities are produced with fewer people, and many are necessarily made redundant. More adequately, capitalist overproduction, determined by an alienated moneyed-exchange process (independent of immediate social control), and involving a higher rate of metabolising man and nature, necessitates the reaping of rents from a surplus product that grows by destroying or

setting aside resources. Permanent wars and unemployment are striking characteristics of capitalism that set aside or destroy resources. Hence, it is not imperialist securitisation alone that counts; through creating redundant resources and an increasing rate of denationalising or extinguishing resources, wars cheapen the value of the labourer (human life) by cheapening labour power (the commodity) as the principal input in production upon which the profit rate arises as mediated actuality. Militarism for US-led capital allows the highest rates of exploitation; it reduces a wide range of prices way below value, far more than the super-exploitation of children mining for cobalt, because it consumes man directly in the process of the reproduction of capital. War and ‘reconstruction to extend war’ perform a dual role: securitising the rule of capital and devalorising labour power.

There are no shortages of examples of reconstruction fuelling the continuation of war. The Lebanese case provides a vivid illustration of reconstruction cementing the grounds for future wars. The human costs of the Lebanese civil war (1975–1990) is estimated at around 150,000 deaths, and forgone income losses, not counting the damage to the capital stock, around 12 times the value of Lebanese GDP in 1974 (Eken et al. 1995). But the war never really ended in 1990. Israel occupied the South until 2000; wars continued to rage in the South after 2000; the prime minister Rafic Hariri, the Saudi billionaire leading the post-war reconstruction was assassinated in 2005, throwing the country further into turmoil; Israel invaded for a short period in 2006 causing damage to the infrastructure estimated anywhere between 10 and 15 billion US\$ (Harvie and Saleh 2008); a small civil war broke out in the summer of 2007; and a new conflict in neighbouring Syria beginning in 2011 has drawn Lebanese militias to the war campaign in Syria, inviting the suicide bombers and fighting in the North-East of the country. In spite of billions of dollars in Official Development assistance and a debt equivalent to 163.1% of GDP (WDI 2014), the country still endures long periods of electricity blackouts and water shortages.

A much worse picture holds for Iraq. Iraq remains at war and despite massive investments in reconstruction, the physical and, more important, the social infrastructure are decimated. Whereas under the nationalist government of Saddam Hussein, electricity was restored within 6 months after the 1991 US-led assault, the electric-power crisis continues unabated since 2003 (Shafaq News 2013). Even the Kurdish region, which had served as a foothold for Israeli and US soldiers failed to capture any

long-term industrial investment despite American security cover. As soon as oil prices began to fall (late 2014), development in the Iraqi Kurdish region took a nosedive with unemployment estimated at 50% (Vltchek 2016).

The plan of Iraqi reconstruction mimics that of Lebanon. The central state is restructured into various sectarian institutions which command and distribute rents that build allegiance to the sect and not to the state. The Taif Accord for Lebanon [1989] precedes the Bremer constitution for Iraq [2004]. Prior to the Taif Accord, the French-enacted Lebanese constitution of 1926 concentrated power in the hands of the Lebanese Maronite population. The Maronites had so many privileges under French colonialism such that their leadership initially objected to French withdrawal from Lebanese territory, until they had guarantees from the remaining Lebanese factions that they would continue to enjoy these privileges after French evacuation (El-Solh 2004). Efforts to splinter the Lebanese working class began prior to the civil war in 1974. An Iranian-sponsored cleric founded the Amal movement to draw the mainly Shiite population of South Lebanon away from secularism and popular unity around the Palestinian national liberation movement. In my discussions with prominent trade unionist Mr. Shawqi Shoubassi concerning the reasons of the Lebanese civil war, he proclaimed that prior to the civil war, inter-sectoral worker solidarity was growing and eroding the divisions of the French designed 1926 constitution. The cross-sectoral worker solidarity worried capital; solidarity was trampling the French constitution for Lebanon, which *de facto* distributed power and rent on the basis of sect. Shoubassi judged that an imperialist and/or rightist pro-imperialist attack upon the secular nationalist movement became inevitable.

Later measures of Lebanese reconstruction under the auspices of the Saudi-sponsored Hariri government targeted the Sunni youth population from 1990. Tens of thousands of educational grants sent Sunni youth abroad to acquire an education which the disabled war-torn economy was not ready to absorb. The economy could not have possibly re-assimilated these graduates into productive employment. In Lebanon, the distribution of state-rents to cement the sectarian bonds are central: the deputy director of the Central Bank of Lebanon in 2007, when I asked about the growth in the public debt, responded by giving the example that the Shiite head of Parliament had created more than 30,000 government positions for which there was no function but to promote allegiance to the sect's leadership.

Contrariwise, East Asian reconstruction nationalises industrial knowledge (making knowledge accessible in the national language) for the purpose of fortifying national security. Unlike Arab reconstruction, it does not promote labour exodus, thus depriving the national economy of skilled labour as happened in the AW.⁸ Reconstruction of both Lebanon and Iraq was centred on investment in the infrastructure of a particular geopolitical-rent class. It boosted the speculative price of that class' assets while, institutionally and ideologically, it forced upon individuals a particular political identity supported by a pay-scheme aimed at the division of the working class. The ruling class in such formations is not some persons in this and that sect or some analytical category of sect, it is the inter-conflicting sectarian relationship (relationship organised around the means of production) whose very reproduction depends on the rate of national pillage or resource drainage and its allegiance to imperialism.

The contrast between Arab and other forms of post-war rebuilding plans is glaring. Until the USA needed Germany in opposing the advance of communism circa 1948, it had a post-war Morgenthau plan whose purpose was to cripple the German economy so that it would never rise again. Once imperialist security and the primacy of politics came into play, the famed Marshall plan reinvigorated the German development/security nexus. Similarly for Japan, as early as 1947, Japan's reparations to the Allied Powers for the damage and suffering caused by it during the war were toned down considerably because 'the resources of Japan were not sufficient if it is to maintain a viable economy' (Gräfrath 1995). Gräfrath then contrasts this docile tone with the devastating impact of reparations imposed upon Iraq for its invasion of Kuwait by a then US-dominated UN-Security Council, likening their effects to the Versailles treaty. Had Iraq not been invaded in 2003, the hundreds of billions of dollars sought in reparation represented an unserviceable debt burden that could only have led to future wars. In a thorough investigation of the post-1991 UN-imposed reparation scheme under Security Council resolution 687 (1991), Alain Gresh (2000) characterised the procedures of Security Council reparations as flagrant war crimes: while hundreds of thousands of children were perishing under the UN-imposed embargo (Gordon 2010), the UN Security Council demanded that at least 20% of Iraq's oil revenues under the Food for Oil programme should compensate states and individuals that incurred economic damages from Iraq's invasion of Kuwait. Gresh documents how the USA controlled and manipulated the UN operation: appointing

a State Department staff as the *de facto* head, doctoring the evidence against Iraq so that it pays higher indemnity, obliging Iraq to incur long term debts for the hypothetical costs of suspension in trade during the 1991 war, attempts to indenture Iraq with hundreds of billions of dollars in debts for a mere ten billion US dollars in forgone income losses suffered by Kuwait, and obliging Iraq to pay for the environmental damages to surrounding states.

Even at the height of the war in Syria, the United Nations was fast at work gathering information about the rate of social destruction as if in cahoots with intelligence agencies seeking better information about the impact of its weaponry on the ground or simply a spot in the Syrian landscape.⁹ As reported by Al-Akhbar news, the Lebanese model was being proposed for Syrian reconstruction.¹⁰ The Lebanese model of sharing power and rent through the state between various sects created the permanent conditions by which the country oscillates between high and low-intensity warfare. Lately, the Sunni/Shiite and other sectarian schisms within the working class are given clear territorial form; there are as many countries within the country as there are sects. In a more theoretical sense, division of the working class is the capital process in its state of becoming. With constitutional statutes providing sectarianism with legitimacy, the role of labour as social agency may be banished for years to come. Ironically, the reconstruction and/or neoliberal economic model being proposed for Syria while conflict rages recommends further liberalisation under constitutional reforms that effectively splinter the country, first by *de-jure* decentralisation allowing warlords to retain their territories, and second; by a constitution that replaces the representation of the citizen in the state by that of the sect or ethnicity:

The Syrian National Council (SNC) has coordinated with Western countries to inject emergency aid—a sort of a mini ‘Marshall Plan’ and it unsurprisingly advocates further market liberalisation in Syria. It is critical of the old economic liberalisation measures from the wrong angle, stating that they were not enough and that they were only modest economic reforms. It therefore advocates lifting of subsidies on necessity goods, fuel and electricity, the liberalisation of prices, the liberalisation of trade and capital accounts, the lifting protection of local industry and the privatisation of nationalised assets... Amazingly, this neoliberal fantasy is being trotted out yet again, against all the mountains of empirical evidence to the contrary

piled up over at least three decades, with all the vigorously bogus sincerity of religious hucksterism. (Matar 2016)¹¹

Furthermore, the United Nations is forecasting a huge figure in the hundreds of billions of dollars, which would be destined for Arab reconstruction. In a region that has seen more wars than any other in recent history and over which international antagonisms appear unbridgeable, the United Nations posits that ‘wars cannot last forever’, and that such funds would represent a ‘global public good’ for the international community.¹² To use the ludicrous language of neoclassical economics, these public goods, if they ever come through, will serve as free rides for the financialised class. But the US-led financialised class is already free riding on huge revenues from militarism—the war on terror lowering the price of labour and many other commodities across the globe and bringing in capital to the US-dollar or risk free market.¹³ Although the amounts associated with militarism are far too significant, it is not their sheer size that matters. In a dynamic growth process, militarism and its financial offshoots are the gyros steadying the global economy, the exogenous stabilising shocks to an otherwise fading system. The ideological offshoots of war reconstituting the power of capital underwrite further expansion of fiat money—no amount of benefits from trade can overshadow the war gains especially as the anchor of the gold-standard is superseded. The notion that imperialism will somehow drop war and its growth by militarism for the pittance of reconstruction is either obtuse or malevolent and, in either case, it beautifies capital as if war is somehow something of a momentary transgression, an unintended consequence, from which it quickly recovers. War to capital is permanent and the professionals engaged in pointing out the benefits of reconstruction without pointing such permanency are in the business of obfuscating the true nature of imperialism. Every penny in tax payments that the working classes of central economies contribute for wars, the US-led financial class earns as credit, and this beyond the immense capital flows to central markets impelled by the growing rate of global insecurity.

As to reconstruction in the wars of 1967 and 1973, consider the evidence from GDP growth in both Egypt and Syria as reported by the World Development Indicators of the World Bank; these clearly show that their growth rates incurred minor setbacks in the specific years of the two major wars of 1967 and 1973: the rates declined to 1% in both war years and remained positive. The costs of these two conflicts

to the AW were severe only in terms of the way the ruling class used defeatism to block the development of conventional war with Israel into a peoples' war and transform itself into a comprador to imperialism.¹⁴ But it was circa 1980 that these states let down their ideological guard through compromise and opened their spigots of wealth via unregulated trade and capital accounts. In a world continually plagued by a crisis of overproduction requiring the destruction of value and human lives by permanent war, the wars visited upon the AW after 1980 had baleful economic and social consequences. The association of cross-national classes, a relationship in which imperialism has the last word, adheres to a profit rate mechanism that must ensure demand on one end and cost reduction through working-class incapacitation on the other. For imperialism, meanwhile, war is both a means to control and cheapen raw materials and a profitable end in itself.

A quantitative comparison of the impact of war or the threat of war on the business cycles of the AW and EA, though it may offer some insights on their differences, cannot offer an interpretation of the restructuring of social forces through ideological shifts in the political and economic systems. A relevant approach begins by treating security as a social and ideological process affecting the mode of resource allocation, class relations and the international mode of integration: the AW through the channels of war and oil, and EA through the manufactured civilian-end use commodity. How each social formation responds to threats and conflicts and/or security arrangements by its ties to imperialism and its position in the international division of labour sheds more light on the developmental potential of each region than does a focus on the quantitative impact of conflicts in terms of lost opportunities and reduced resources, which in any case can hardly be approximated by any econometric method.¹⁵

Conflicts, wars and threats of are best understood by their impact on class disarticulation and by shifts in ideology or the social stock of knowledge instrumentalised to serve the joint or cross-national ruling class. It is through class and ideological momenta that the impact of conflict is mediated by the type of political regime, the relative power of working classes within the state, and whether or not the ruling class integrates the lower-income low-wealth layers of society. *Post facto*, the poor Arab economic indicators as of 1980 are a product of unfavourable social disarticulation caused by the rise of neoliberalism and the collapse of the Soviet Union, which furnished financialised capital and its military arm

with a free-hand worldwide. Two manifestations foreground the case for Arab disarticulation. First, capital's near monopoly over resource channelling mechanisms is evidenced by the growth of acute income disparity over time (labour share dropping from around 50% in 1980 to less than 25% in 2014 [ILO-STAT 2015]). Second, the reconstruction of identities whose prefabricated concepts are generated by empowering sectarianism, which also results in a growing disparity over time between social being and social consciousness: working people share growing misery but their mode of perception pits them against each other rather than against capital.

Add to that, in fragmenting states where the ruling class is the relationship of inter-conflicting groups devouring their own social formation, there does not exist a cohesive ruling class whose weakening hegemony on the state would spark revolution—not any revolution: the revolution that targets the gradual erosion of private property by extensive nationalisation at the behest of the working class. If this decomposing Arab state model, created by imperialist ideological strength and a new form of auto-defeating state, whose *raison d'être* is to be eroded by voracious comprador or war bourgeoisie, extends far enough, its structural overdetermination, which is global capital, would more likely rupture only to reproduce itself again and again. Things will go from bad to worse if the degenerative Arab state model catches steam. Such negative dialectic is just a logical end, which is pre-destined to fail once revolutionary consciousness takes hold, but the real course of events at the time of writing and the global balance of class forces is pretty much anti-revolutionary consciousness and internationalism.

POSTSCRIPT: THE PECULIARITY OF CONFLICTS IN THE ARAB WORLD

Since the end of WWII, the AW and its immediate region have witnessed the highest rates of conflict and war. These wars include regional wars, Arab-Israeli conflicts, the two Gulf Wars, and proxy inter-state and intra-communal proxy wars such as the Lebanese and Yemeni wars (SIPRI 2015; ICRG 2009; UN 2006). The war devastation across the AW is an expansion of the 'iron wall'—the process by which Arab losses and the inter-Arab divisions foment and further reinforce the power standing of Israel and the USA (iron wall as per Jabotinsky 1923).

In addition to economic losses, one obvious way conflicts affect the region is the flow of refugees from conflict areas to more stable areas. Apart from the Palestinian refugee question, which arguably remains the most outstanding refugee issue globally, as of September 2007 the United Nations High Commissioner for Refugees (UNHCR) estimated that more than 1.2 million Iraqi refugees have sought asylum in Syria, Jordan, Egypt, Lebanon, and the GCC countries (UN 2008). Somalia, Sudan, Yemen, the Western Sahara, Libya and Lebanon are additional cases of refugee flows. The current crisis in Syria has forcefully evicted nearly half of the population from their homes.

Conflicts have also increased the costs of pre- and post-war financing. At twice the world rate of spending on defence from GDP (WDI 2015), the AW's high levels of military expenditures act as a fiscal drag on demand and growth. Since the Arab Spring, military spending in the AW has risen even further. The Arab and Middle East regions were and remain home to some of the world's most militarised states, with high military expenditures as a share of both government expenditures and GDP and high proportion of armed forces as a percentage of total population (Tilly 1991; SIPRI 2015).

Military spending crowds out spending on developmental or social undertakings. In countries such as the USA that carry out accumulation through military industrialisation and/or through a social cycle of militarism where economic reproduction depends on a higher defence spending cycle that also targets military technology, demand, and the expansion of credit for military-associated industries, a positive relationship between growth and military spending has ensued. Such is not the case for Arab countries, where the effect of military spending on growth has been found to be negative, with spending on imported military technology sapping resources otherwise destined to national production (Lebovic and Ishaq 1987; Abu-Bader and Abu-Qarn 2003; UN 2006).

A comparison of military and social spending in a selected number of Arab countries over the 1970s and 1980s (El-Ghonemy 1998) found that most of the countries in the AW have consistently devoted more of their resources to military use rather than to much-needed health and education spending. This finding included both oil-exporting and non-oil exporting countries in the AW. In a parametric estimation of war costs/impact conducted by Gilbert Ritschard for the 2006 UN-Western Asia Economic Survey, results from both demand and supply sides have unequivocally shown that war has thwarted *long-term* growth.

Moreover, the so-called peace dividend of the Camp David Accords or the Jordanian peace accords did not free up resources from ‘unproductive’ military spending for more productive industrial or social spending. This was because these treaties ensure that while wars will not be destroying the security component of development in these countries, neoliberal policies in personalised economic institutions will definitely divert resources away from the productive national structure and stunt development.

CLOSING COMMENT

To resituate the argument, the direct impact of war in terms of lost lives and resources is not the sole relation one can discover between wars or conflicts and economic development. Security, understood as an ongoing social process rather than the absence of conflict, has its own effects on national development as well as on the regional system through its relation to class, state, and forms of governance. In the AW, the intermittent *absence* of conflict has left no space for development. While a high frequency of conflicts was absent in EA, the social offshoots of security were at work buttressing human development within and across the regional system. It is at this sublateral level that the relation between security and economic development can be addressed.

NOTES

1. Whereas humanity has been living its darkest ages since 1500 as the killing spree of capital wielding European civilisation goes on unabated, European social democrats remind us that the only thing worse than being exploited by capitalism is not to be exploited by capitalism. The more appropriate term for capitalism is not ‘dark age’ but ‘white age’ (White as social construct). From that optic, exploitation is limited to clothing factories and not wars of extermination. No matter at what human cost, humanity should rejoice at the discovery of Penicillin—invention is constructed as the unique product of the genius of that civilisation. Unless one has tunnel vision, it is not difficult to spot the blatant racism in social democracy; however, it is the way Eurocentric Marxists—including their internationally cultivated labour aristocrats—managed to stick to unmediated forms of production and delink imperialist practice from the extended reproduction of capital, particularly the way it reproduces surplus value via militarism and depopulation that is quite astounding. Instead of capturing

the revolutionary transformation of the working class into the proletariat, the latter term remained stuck in the category of the ever-shrinking numbers of industrial workers. Now, how could there be a revolution in Europe with diminishing industrial workers, when there was not a revolution during the heyday of industrialisation? Where European social being, rooted in colonial surplus usurpation via western democratisation serving as a safety valve for capital (bribe to northern working classes), was determining social consciousness, an esoteric form of western Marxism was reared by capital to de-prioritise the emancipation of the Third World. Not until the numbers of industrial workers in the South began to out-strip their northern counterparts that Northern Marxists began to speak of significant value transfers from the South to the North. The notion that Europe should lead the global Proletarian revolution because it had more factory workers is probably the most outstanding theoretical sham of the twentieth century.

2. Just as Lenin (1902) understood the primacy of politics to be the strengthening of working class rule, so does organised capital as it intermittently compromises profits in order to retain its dominant status. Capital itself is a hierarchical class order whose structure has proven resilient and responsive to challenges because, with its high degree of centralisation, its nucleus has the capacity to undertake reform measures countering revolutionary momentum. For instance, the targeted aid as replacement for subsidy removal measures applied to developing countries by the World Bank cost more operationally than the subsidy removal, but they also humiliate and criminalise huge sections of the working class in developing countries.
3. In Tilly (1985), the relationship of war-making to development is specified, but the determinacy of US-led imperialism is underplayed, as if latent forms of capitalist development did not ride on the back of American gunboats cruising the Pacific Ocean. Moreover, when development occurs in the shadow of US-led imperialism, it is of a *particular* nature because it deepens through ideological channels the indenture of labour to capital.
4. By 'wage slavery' I follow Marx (1867). The concept denotes the condition wherein the whole of the working class must sell its labour power to survive at below the cost of the reproduction of labour.
5. This point is shared with Zhu (2002); however, here it is not the power play of empire's politics devoid of the political economy of imperialist rent making. US-led imperialism undergirds Israeli development and military expansionism. It continuously fans the flames of war in a strategic region. By doing this it adds to the volatility of system of dollarized

resource flows globally, impelling tremendous Arab and other moneyed assets into the safety of US financial markets.

6. The socialist ideological retreat is serious enough such that Fukuyama's thesis (1992) in which he announces that history came to end after the collapse of the Soviet Union stands vindicated—at least so far. Despite the failures of capital, it seems that 'all existence is evaluated in terms of money alone—and is presented to us as ideal... the partisans of the established order cannot really call it ideal, so instead, they have decided to say that all the rest is horrible,' or that our world is the best of all possible worlds, to which no alternative exists (Badiou 2001). The liberal mantras that introduce the illusion of overturning capitalism through bourgeois democratic reform, without ironclad peoples' organisations and violence, is not only misleading people and foiling the advance of socialism, but also, through its legitimising and reifying capital's forms of governance and its sacrosanct bourgeois democracy, they rationalise the continuity of the violence of capital and its imperialism abroad.
7. Discussion with Professor Fadle Naqib (Waterloo University).
8. Schweitzer M., October 2013, The Destruction of Iraq's intellectuals In the whirlwind of Iraq's violent history, the once-powerful academic class has disintegrated, <http://www.aljazeera.com/humanrights/2013/10/destruction-iraqs-intellectuals-2013101114937748151.html> (viewed 15 August 2015).
8. Syria at War: Five Years On, <https://www.unescwa.org/publications/syria-war-five-years> (viewed 2 July, 2016).
10. The Lebanese model for Syrian reconstruction: The ESCWA bid to hold Syria hostage to debt, <http://english.al-akhbar.com/node/21483> (viewed 17 August 2016).
11. For the proposal on decentralisation see Administrative Governance and Decentralization (UN 2013), <https://www.unescwa.org/publications/administrative-governance-decentralization> (viewed 12 March, 2016).
12. UN official: Rebuilding Arab war-torn countries a 'global public good' <http://www.thearabweekly.com/Opinion/6198/UN-official:-Rebuilding-Arab-war-torn-countries-a-%E2%80%98global-public-good%E2%80%99> (viewed 7 February, 2016). By a comical twist of fate, this is this is the same official who was responsible for market reforms in Syria prior to its collapse and who had heralded a bright future for that country as a result of billions of dollars in FDI inflows.
13. Although there are no clear figures of war costs, a recent figure flaunted at Davos had put American war debit over the last 30 years at 14.2 trillion dollars. <http://www.zerohedge.com/news/2017-01-18/alibabaa-jackma-drops-redpill-us-wasted-14-trillion-wars-over-past-30-years> (viewed 7 February, 2017).

14. The impact of Arab defeat in the 1967 Arab-Israeli war impacted the internal political structure in an immediate way. The prime minister of Syria in the mid sixties, Yussuf Zu'ayyin indicated that Hafez Assad was considered a moderate. Assad opposed plans to arm the population in order to conduct peoples' warfare and was promoted openly by the US to accede to power following the 1967 defeat (quoted in Ismail 2010). Hussein El Shafei'i, vice president under Nasser, noted a similar point regarding the promotion of Anwar Sadat as the representative of the right wing flank in Nasser's administration to the position of vice president as a result of international pressure after the defeat of Egypt in the 6-Day War of 1967 (El Shafei'i interviewed by Aljazeera in August 2002).
15. Econometric estimation cannot parade as theory for many reasons, but here the forgotten point is that there is a self-differentiating process within and between social or economic variables; that is to say, they are a product of themselves and they affect each other by qualitative change. As such, this state of contingency *a priori* omits the possibility of modelling becoming theory. Moreover, the mainstream choice of dissecting the social state of affairs by overlooking social contradiction also eliminates the model as such from serving merely as an illustrative tool. So it is not only that some variables were overlooked and that theory requires their inclusion in a continuous process of falsification to stand on better grounds, or that it is the quantitative relationship of variables to each other that would count as theory; it is in failing to account for the dynamics of history: that is the subject of history (who is doing what by means of intermediated agency), its defining social relationship, which is rudimentary to theoretical construction.

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