

## **THE PROMISED SPRING: DEATH AND NEOLIBERALISM IN IRAQ**

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**Abstract:** Globalisation and modernisation were expected to transform the Middle East, by ending regional conflicts and spreading democracy, freedom, prosperity and peace. However, the oil reserves of the Gulf have been the main stake in Western policies that led to wars, not only to benefit the hegemon, but also the health of the world capitalist economy. Instead of democracy and prosperity, neoliberalism has fostered inequality, unemployment, poverty, mass migration and terrorism. Globalisation makes security interdependent; terrorism, gun crime and illegal migration are spill over effects of structural, political and economic insecurity. Iraq today shows how globalisation incites rebellion and radicalisation. The advancement of the neoliberal agenda by industrialised states through globalisation has failed to deliver the economic stability and growth it promised. Through a process of macro-securitisation, relationships, agendas and security dynamics have been consolidated. Globalisation coupled with a universalist narrative have constructed a neoliberal system of economic and ideological dominance, with clearly defined threats to it, regionally and globally. It is those security threats the War on Terror was designed to fight and eliminate, through the neoliberal, universalist narrative of a hegemonic social, political and economic culture. Thus was achieved the implementation of policies and procedures, ideas and cultures, that promote the structures and ideologies that will maintain hegemony.

Keywords: Iraq, neoliberalism, globalisation, security, casualties.

### **Introduction**

On January 2, 2020, a US airstrike killed a high-profile commander of Iran's secretive Quds Force, Qassim Suleimani, a commander of Iran's military forces in Iraq, Syria, Lebanon and elsewhere in the Middle East. Another man, Abu Mahdi al-Muhandis, deputy of the militias known as the Popular Mobilization Units and a close adviser to Suleimani, was also killed in the airstrike near Baghdad's airport. Al-Muhandis and Suleimani were killed when their vehicle was hit on the road to the airport. The Popular Mobilization had been fighting Islamic State forces alongside Iraqi government forces for years, and had increasingly come under attack themselves, with

dozens of their fighters losing their lives in Iraq every year. Three days before the assassination of Al-Muhandis and Suleimani, 25 Popular Mobilization fighters had been killed by a US airstrike in Western Anbar. Al-Baghdadiya (30.12.2019) reported the mass killing:

*The Popular Mobilization Directorate announced, on Monday, the outcome of the American bombing of the crowd camp, which rose to 25 dead and 51 wounded. "The death toll from the martyrs and the wounded as a result of the American aggression that targeted the locations of the Popular Mobilization Forces in western Anbar is 25 dead and 51 wounded," Rabiawi said in a statement to the Popular Mobilization website. He added, "The number of martyrs can be increased due to the presence of wounded people in critical condition and severe injuries."*

Suleimani's Quds Force was a division of Iran's Revolutionary Guard, widely believed to support many Iran-backed terrorist groups, such as Hezbollah. "This strike was aimed at deterring future Iranian attack plans," the Defense Department said in its statement. "The United States will continue to take all necessary action to protect our people and our interests wherever they are around the world."

What are those interests? And what has their protection meant for Iraqis?

### **Iraq 2019: Security in context**

After nearly two decades of war, Iraq has experienced its least violent year: 17 years after the invasion, during 2019 2,392 civilian deaths were recorded by Iraq Body Count. In its worst year, 2006, Iraq had witnessed the violent deaths of more than 29,500 civilians. However, the monthly and yearly totals, assembled after the painstaking daily task of extracting the data from hundreds of reports, betray the true magnitude and impact of the war on Iraqi civilians.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>2003</b>	3	2	3977	3438	545	597	646	833	566	515	487	524	<b>12,133</b>
<b>2004</b>	610	663	1004	1303	655	910	834	878	1042	1033	1676	1129	<b>11,737</b>
<b>2005</b>	1222	1297	905	1145	1396	1347	1536	2352	1444	1311	1487	1141	<b>16,583</b>
<b>2006</b>	1546	1579	1957	1805	2279	2594	3298	2865	2567	3041	3095	2900	<b>29,526</b>
<b>2007</b>	3035	2680	2728	2573	2854	2219	2702	2483	1391	1326	1124	997	<b>26,112</b>
<b>2008</b>	861	1093	1669	1317	915	755	640	704	612	594	540	586	<b>10,286</b>
<b>2009</b>	372	409	438	590	428	564	431	653	352	441	226	478	<b>5,382</b>
<b>2010</b>	267	305	336	385	387	385	488	520	254	315	307	218	<b>4,167</b>
<b>2011</b>	389	254	311	289	381	386	308	401	397	366	288	392	<b>4,162</b>
<b>2012</b>	531	356	377	392	304	529	469	422	400	290	253	299	<b>4,622</b>
<b>2013</b>	357	360	403	545	888	659	1145	1013	1306	1180	870	1126	<b>9,852</b>
<b>2014</b>	1097	972	1029	1037	1100	4088	1580	3340	1474	1738	1436	1327	<b>20,218</b>
<b>2015</b>	1490	1625	1105	2013	1295	1355	1845	1991	1445	1297	1021	1096	<b>17,578</b>
<b>2016</b>	1374	1258	1459	1192	1276	1405	1280	1375	935	1970	1738	1131	<b>16,393</b>
<b>2017</b>	1119	982	1918	1816	1871	1858	1498	597	490	397	346	291	<b>13,183</b>

<b>2018</b>	474	410	402	303	229	209	230	201	241	305	160	155	<b>3,319</b>
<b>2019</b>	323	271	123	140	166	130	145	93	151	361	274	215	<b>2,392</b>

During 2019 the death toll was lower than any other year, since the invasion. October witnessed the highest toll, with 361 killed; August the lowest, at 93. What demonstrates the nature of the security situation in the country though is that, yet again, the killings were almost daily. Of the 2,392 civilians killed, 92 were children.

The greatest perpetrators of violence this year were government forces, which killed around 500 protesters during May, September, October and November. Another 25 protesters were massacred by a group of gunmen in Baghdad on December 6th. Airstrikes that killed civilians were few, with 9 losing their lives in Turkish and US airstrikes:

- January 25th, 4 were killed by Turkish strikes in Dohuk;*
- March 24th, 1 child was killed by US strikes in Oudan;*
- September 26th, 1 was killed when Turkish planes struck in Dohuk;*
- November 4th, 3 more civilians were killed in another Turkish airstrike in Sinjar.*

Iraq is still unable or unwilling to provide security and protection to its population from threats – internal and external. The vast majority of deaths recorded this year were, as every year, direct deaths from conflict violence, that is, deaths that resulted directly from the violent actions of participants to the conflict. As in other countries of conflict, conflict parties were also involved in criminal activities that caused deaths, for example robberies, kidnappings for extortion, or trade in narcotics. The resulting deaths from those were also recorded, as the perpetrators were committing criminal acts and associated violence in order to finance or otherwise support their conflict activities. These criminal activities did not directly further military goals, nor were they political violence; however, they were committed in order to advance the conflict objectives of the perpetrators. Therefore, these activities were part of the conflict violence and evidence that the breakdown in security the conflict caused made those crimes not only possible, but tragically also very common.

Anti-government protests have erupted on a regular basis in Iraq since 2015. But the protests of September-December 2019 are the largest and bloodiest since the overthrow of Saddam Hussein 16 years ago. For four months, protesters have taken to the streets in Baghdad and towns and cities across the south of the country to demand jobs, basic services and an end to corruption. Hundreds of young people have been killed and thousands of others wounded in clashes with security forces. Many Iraqis are frustrated and desperate that they are without clean water and electricity, and there is widespread poverty and high levels of unemployment. The young protesters, most of them 15-25 years old, have risen against government corruption, lack of opportunity and deprivation, all of which leave them with dismal prospects. Expression of a 'Saddam nostalgia' is even noticeable among the new generation, under 30 years old, who became young adults after the invasion.

The BBC (2 December 2019) explained the reasons for the protests as 'a narrow elite has been able to keep a firm grip on power because of a quota system that allocates positions to political parties based on sectarian and ethnic identity, encouraging patronage and corruption', and 'the protesters also angry at Iran' because ... [Iran] 'has close links to Shia politicians who are part of the ruling elite.' Due to Iran's influence over Iraqi politics, the 'protesters accuse Iran of complicity in what they see as Iraq's governance failure and corruption', the BBC reported (28 November 2019). Similarly, on 21 December 2019 the NY Times reported that the Iraqi demonstrators 'demand the ousting of the government, an end to corruption and a halt to the overweening influence of Iran....the protesters' focus reflects their frustration with the government's failure to foster economic opportunity or deal with entrenched corruption.' The Guardian (28 November 2019) too emphasised the link with Tehran, describing the events as 'the uprising against the Tehran-backed authorities'.

This is the line presented by the US officials too. The U.S. stressed its concerns over the deaths of protesters in Iraq on 10 November in a White House statement: 'Iraqis won't stand by as the Iranian regime drains their resources'. Washington blacklisted three Iran-backed Iraqi paramilitary leaders over their alleged role in killings of anti-government protesters in Iraq and threatened future sanctions. Senior U.S. Treasury officials said 'Iraqis have a fundamental right to a political process that is free from foreign malign influence and the corruption that both comes with it and fuels it', reported by the Reuters on 6 December 2019.

### **The impact of the Arab Spring**

As many analysts have pointed out, the overwhelming motivations of the people who took to the streets in Iraq were the low standards of living, dismal economic and employment conditions, in particular high unemployment among the young people, inefficient welfare state and food shortages. All these are similar to the conditions of those countries that witnessed serious protest movements in the early 2010s, the so-called 'Arab Spring' countries - Tunisia, Egypt, Libya, Syria and others. What has been less adequately reported is that all these countries in the Middle East and North Africa (MENA) experienced an intense economic transformation, imposed by the IMF and the World Bank, during the previous couple of decades, away from the state-command economy model of 'Arab Socialism' of the 1960s and 70s, and towards market-dominated neoliberal capitalism in the 1980s and 90s. Through the guidance and assistance of the IMF and the World Bank, the MENA region pursued neoliberal economic policies (entrepreneurial freedom, strong property rights, free markets, and free trade) which led to great income inequalities and a concentration of wealth among the small political elite and its cronies.

The 'Arab Spring' uprisings took place within the conditions of sharply increased poverty, very high youth unemployment and lack of opportunities for young people. Youth unemployment was over 30 percent everywhere in the region, and in Syria and Jordan young people under the age of 30 constitute more than 70 percent of the unemployed workforce. In the whole MENA region there was, and still is, a vivid mismatch between demography and economic structure: while demography is evolving, the economic structure is totally unresponsive to the needs of growing

populations. The harsh neoliberal policies of the 1990s and 2000s made the situation worse, much worse, rather than improve the economy and provide solutions. The most obvious common feature of the principal storm centres – Tunisia, Egypt, Libya and Syria – was far-reaching program of neo-liberal restructuring, which was directed by the IMF and put into practice quickly by the regimes, with similar devastating results. These included privatisation of almost all state owned enterprises, mass poverty, large scale unemployment, in particular growing youth unemployment, the lack of opportunities for university and college graduates, falling real wages and the accumulation of vast amounts of wealth in the hands of the country's top ruling families.

In Egypt, for instance, the World Bank and the IMF prescribed extensive neoliberal policies since 1991. By the mid-2000s, more than a decade and a half neoliberal reforms brought the Egyptian society on the brink of a deep social crisis. In line with the Economic Reform and Structural Adjustment Programme signed with the IMF in 1991, the public sector in Egypt was steadily privatised, and prices and rents liberalised (and increased sharply). By 2005, 209 of the 314 public sector companies had been sold either wholly or in part, which was accompanied by massive lay-offs, and created extreme insecurity for those who were lucky enough to keep their jobs. Labour unrest increased from 2005 onwards, while high food prices and high inflation added to the suffering of the majority of people, as the businesses were celebrating positive growth rates and increased profit margins. The World Bank (2019) reports show that 'some 60 percent of Egypt's population is either poor or vulnerable, and inequality is on the rise'. Egypt's economy was ruined largely by a combination of the self-destructive policies of its regime and neoliberal policies imposed by the global financial bodies. The country's economy suffered disastrously under an IMF and World Bank-imposed restructuring process.

The same course took place in Tunisia, Libya, Syria and other countries in the region. These countries all started taking direct advice and loans from the IMF, the World Bank and bond markets in the 1990s, and since then their autocratic rulers had been consistently praised by these global agencies of neoliberalism, as well as the governments of the US, France and Britain.

Iraq, however, is a different story, in the sense that an exceptionally harsh neoliberal restructuring was introduced by a military invasion, led by the US army, in the most brutal and boldest way ever seen in the world. The 2003 invasion of Iraq, led by the Bush administration in the US, turned Iraq into a neoliberal utopia. When Saddam Hussein's regime was defeated and replaced by the Coalition Provisional Authority (CPA), headed by Paul Bremer, a series of extensive neoliberal measures were quickly introduced in its first month without any waiting period, from privatisation of 200 Iraqi state-owned companies to reducing corporate tax from 45 percent to 15 percent, and from allowing foreign firms to retain 100 percent of their Iraqi assets to a complete restructuring the Iraqi banking system. Iraq's oil revenues were put in a US-dominated development fund, the Development Fund for Iraq (DFI), held in an account at the Federal Reserve in New York and used for restructuring expenditure. According to a US government appointed audit's reports to the US Congress in 2004, 2005 and 2006, Special Inspector General for Iraqi Reconstruction (SIGIR), there was poor delivery of contracts, overcharging, em-

bezzlement, and general fraud by private contractors, and \$8.8 billion of the \$23 billion money held at DFI account remains unaccounted for (GPF, 2019).

### **'A Capitalist Dream': Security in the aftermath of the invasion**

The Coalition Provisional Authority ran the occupation regime during its first 14 months and directed the most extreme version of neoliberal restructuring put in practice ever in the world, enforcing the market as the organising and regulative principle of the state and society. Even the IMF (2003) was alarmed and advised a more cautious approach. In less than 14 months, Paul Bremer issued 26 orders, as a result of which the Iraqi state was deprived of economic sovereignty and control of its own affairs. More than half a million Iraqi citizens abruptly lost their jobs, after which over 50 percent of the workforce became unemployed. All these extensive neoliberal 'shock programme of economic reforms' were described by *the Economist* (2003) in September 2003 as a 'Capitalist Dream'.

When the war started the economy of Iraq had already been in deep trouble, following the eight-year-long war against Iran in the 1980s, the first Gulf War of 1990-91, and UN imposed financial and trade embargo on Iraq since 1990. On top of this, after the invasion, the Coalition Provisional Authority paid large sums of compensation from the Iraqi public sources to a number of international corporations, ostensibly as compensations for 'lost profits' or 'decline of business' due to Saddam Hussein's aggressive behaviour in the region since 1990. Sheraton received \$11 million, Bechtel \$7 million, Pepsi \$3.8 million, Mobil \$2.3 million, Kentucky Fried Chicken [ \$321,000 and Toys R Us \$190,000 – all US-based enterprises. Israeli farmers received \$8 million, supposedly because they were not able to harvest fully due to the threat from Saddam's regime, and Israeli hoteliers and travel agencies received \$15 million. A detailed account of these compensations were given by Eric Herring and Glen Rangwala (2006).

During the first year of the occupation, about \$50 billion of reconstruction contracts were commissioned to various US corporations, including Halliburton, Bechtel, SkylinkUSA, Stevedoring Services of America, and BearingPoint. During the same period, only 2 percent of the contracts were given to Iraqi firms. Research by the Financial Times showed in 2013 that the top 10 American and foreign contractors in Iraq have secured business worth at least \$72 billion between them. David Whyte (2007) describes this economic performance of the Coalition Provisional Authority as 'one of the most audacious and spectacular crimes of theft in modern history. ... The suspension of the normal rule of law by the occupying powers, in turn, encouraged Coalition Provisional Authority tolerance of, and participation in, the theft of public funds in Iraq. State-corporate criminality in the case of occupied Iraq must therefore be understood as part of a wider strategy of political and economic domination'.

The war in Iraq officially ended in 2011, when President Obama declared the withdrawal of the troops in October and the last US soldiers left Iraq on 18 December. What was left behind, however, a deeply traumatized country with a totally bankrupt economy. According to the UN, seven million Iraqis were living below the poverty line. One in five of young men and significantly more young women under 24 are unemployed, in a country where almost 60 percent of the

population is under 24. The draconian measures undertaken after the 2003 invasion left behind a seriously weakened Iraq in every sense. A large amount of Iraqi money was paid to US contractors to implement local projects, many of them never finished, drowned in a sea of bureaucracy, corruption and open theft. No one knew how many such contractors were hired and how much money were paid to them for the tasks, many of which remained incomplete. In 2009, there were about 13.000 contractors employed by US agencies (Schwartz , 2011).

Iraq has experienced several parliamentary elections since the invasion, the first one in 2005 and the latest in 2018. At least fifteen PMs came to power representing different political parties/coalitions. None of them, however, managed to satisfy the serious and rightful demands of the Iraqi people: ending corruption, increasing living standards, creating jobs and opportunities for increasing number of young educated people, providing security, and proper funding for the services. There are, of course, many local reasons for this failure, from increasing security concerns to the violent civil war in next door Syria, and to longstanding divisions of the country along ethnic and religious lines. However, the desperate state of the economy, lack of opportunities for the local people, sharply increased corruption as a result of contracting system put in place by the US pro-Consul Bremer contributed to the miserable state of affairs seriously. At times these different factors converge, and at times they pull against each other, but the state of the economy has remained as the most significant context and the obstacle for any Iraqi government to deal with the serious problems of the country. Successive Iraqi governments pursued the project of neoliberal transformation of Iraq, sometimes willingly, but mostly reluctantly and as a result of already tightly established links with the IMF and global financial institutions through loans and debt rescheduling. Iraq's debt was restructured on terms that made the country subject to fully applying IMF austerity policies, even after the occupation ended officially in 2011. In 2006, for instance, the government accepted 'fuel liberalisation programme', following the IMF recommendations, that was basically cutting off all subsidies of fuel and gas products, which resulted in a sudden explosion of prices of fuel and gas-related items. The bold neoliberal move by Coalition Provisional Authority following the invasion in 2003, reinforcement of macro-economic stabilisation, cuts in government expenditures, ending state subsidies, and the opening up of the Iraqi economy to foreign investment by selling State-Owned Enterprises, have had dire consequences for the people of Iraq. All these bold neoliberal measures contributed directly to produce a dystopian economy and a failed state, incapable of controlling its own affairs.

### **'Liberating' the Iraqis: the failures of democracy and a western style system**

'The battle of peace has to be fought on two fronts', declared Edward Stettinius Jr., US Secretary of State in June 1945 (Grimm 2004). 'The first is the security where victory spells freedom from fear. The second is the economic and social front where victory means freedom from want. Only victory on both fronts can assure the world of an enduring peace'. It was very much in the spirit of the UN, the spirit of cooperation to work towards peace and prosperity. It was only under those conditions, of peace and prosperity, that security was going to be achieved, in any

country, in any community, in any area of human life. Security was to be understood in terms of freedom from want (prosperity) and freedom from fear (peace).

While the *invasion* of Iraq was 16 years ago, the post-invasion war in Iraq continues to this day. Even the war's quietest months have been punctuated by moments of mass horror, and barely a day has passed without reports of civilians being shot or blown up. Despite any number of official declarations, there has been no 'turning point' towards peace, no 'mission accomplished' for 'Operation Iraqi Freedom'.

An entire generation of Iraqi children has known little other than life in a country riven by violence, fear, hopelessness, internal displacement and poverty. All around them, the war's fearful legacy persists. 'We Want a True Homeland', shouted the young protesters this year. It is common for those living outside it to see Iraq as a country of violence, of war and of constant upheaval; a country where the West has 'tried and failed' to provide security; as a country of terror, of ISIS, of human rights abuses and tribal conflict. Others may see it as a developing democracy, or a budding Western-style economy trying to bloom in a barren, unstable region. It is common for us living outside it to forget that this 'trial and error' state is also the homeland of millions of people. The invasion in 2003 was supported by, among others, those who saw a great opportunity for Iraq to be 'reconstructed'. The invading coalition was going to help.

On 6 April 2003, while Iraq was still under attack from coalition forces, Deputy Defense Secretary Paul Wolfowitz stated, 'There has got to be an effective administration from day one. People need water and food and medicine, and the sewers have to work, the electricity has to work. And that's a coalition responsibility'. By the time the Iraqi people had a say in choosing a government, three years later, the key economic and political decisions about their country's future had been made by their occupiers.

American and British plans for Iraq's future economy went beyond 'reconstruction'. The emerging state was going to be treated 'as a blank slate on which the most ideological Washington neoliberals can design their dream economy: fully privatized, foreign-owned and open for business' (Klein, 10 April 2003). Those whose homeland it was, the Iraqi public, were absent from these decisions. Without any democratic process, the 'charity', the 'gift' of liberal and democratic Western states was barely disguised exploitation. In the name of that 'democratic' dream of a privatised, foreign-owned and 'reconstructed' Iraq, hundreds of thousands of Iraqi civilians have lost their lives.

As Iraq was being bombed by the coalition, in April 2003 Klein predicted:

*'A people, starved and sickened by sanctions, then pulverized by war, is going to emerge from this trauma to find that their country has been sold out from under them. They will also discover that their newfound "freedom"—for which so many of their loved ones perished—comes pre-shackled with irreversible economic decisions that were made in boardrooms while the bombs were still falling. They will then be told to vote for their new leaders, and welcomed to the wonderful world of democracy.'*

17 years later, we see the complete breakdown of trust in the political system; we see corruption, brutality and violence. Protesters carrying the Iraqi flag are demanding their homeland,



as their government violates and abuses their human rights, as security forces and anti-riot police open fire using live ammunition and tear gas. As their 'democratic government' fails to provide opportunities, social, health and educational safeguards for its children. As, like every one of its governments since 2006, it continues to fail to provide its people with any kind of security.

Security does not simply involve and is not limited to physical attacks resulting in death or injury. That 'only' 2,337 civilians were killed this year, compared to 3,300 civilians killed the year before and 13,000 the year before that, does not mean that Iraq is now safer, or more secure. It does so only in a very narrow understanding of security. However, security is a much broader concept or category that includes a commitment to human rights, justice, prosperity and the creation of political, social, environmental, economic and cultural systems that are the building blocks of survival, livelihood and human dignity. In a state rife with injustice, poverty, violations of human rights, government brutality and continuous foreign intervention, there can be no security. There can also be no democracy.

However, Iraq's devastation was not unpredictable. The neoliberal democratic system that was imposed on the country could not have produced a 'Western-style democracy', or the outcomes expected in a developed nation. Highly developed nations face no real threat of major war and enjoy economic prosperity, comparatively low levels of crime, and enduring political and social stability. Despite warnings to the contrary by our security services, even the threat of terrorism is minor. Iraq, on the other hand, was and still is a weak state. Between 2003 and 2020 the only constants have been the following: communal violence, terrorism, poverty, weapons proliferation, crime, political instability, social breakdown, riots, disorder and economic failure. In Iraq we observe the lack of basic security that exists in 'zones of instability', where Iraq, after 17 years of 'reconstruction', still remains. Iraq has now become the perfect example of physical, political and economic insecurity, destroyed by its purported saviours.

As in all weak states, the primary security threats facing the Iraqi population originate not only from external sources, but also from internal, domestic sources. In such states, the more the ruling elites try to establish effective state rule, the more they provoke insurgency. Despite it being declared a democracy, Iraq lacks regime security, in all aspects of the term (health and safety, law and order, and economic security). In Iraq and other 'liberated and democratised' states those internal/domestic security threats have gone hand-in-hand with the external threat posed by a collaborative external actor and the neoliberal destruction it brought to the country.

It was thought –even promised– that an Iraq free of its dictator would become a strong state. A democratic, liberal state, much like those in the developed world. However, Iraq has become a state even weaker, much weaker and less secure, than it was under Saddam Hussein's iron rule. The continuing protests in Iraq and the killing of protesters in their hundreds by government forces, combined with a persisting insurgency, demonstrate the lack of identification of the population with 'the state'. What we see contributing to this weakness is the new colonialism masking as political and economic development, through the principle and the process of global-

isation. Neoliberal ideology has been promoted to the developing world by the chief advocates of globalisation, the IMF and the World Bank, through their liberalisation programme. As a result, Iraq's economic development consists of a rentier economy in parallel to and within a neoliberal model. J.M. Keynes reportedly said in the 1930s, 'Laissez-faire capitalism is the absurd idea that the worst people, for the worst reasons, will do what is best for all of us'.

'Many of the region's pathologies—including unemployment, a bloated state, a weak private sector or limited political evolution—are ultimately rooted in an economic structure heavily reliant on external windfalls, whether derived from oil, aid or remittances' (Adeel, 2017). The 'rentier state paradigm' has become 'a common tool in the interpretation of the political dynamics of oil-producing countries' (Luciani, 2019, p. 121). 'Resource-rich societies are systematically condemned to having underdeveloped political structures. (...) The principal function of a rentier state is the allocation or distribution of rents, which tilts incentives away from production to predation, stifling competitive structural change that could otherwise have produced a social structure more favourable to democratisation' (Adeel, 2017). Oil wealth has allowed states to create new economic elites and shape a non-democratic state-society relationship. The difficulty of establishing representative democracy and democratic institutions in a rentier state is demonstrated in Iraq.

### **Hegemony and globalization**

The process of globalisation is not some benign inevitable consequence of modernization, but a designed aspect of the process of hegemony. 'Through the systematic control by the US government and multinationals of globalising actors, such as the Bretton Woods institutions, communications and travel technology advancements, and the advancement of the neoliberal order, (...) the United States has been able to effectively build structures that perpetuate its own dominance' (Skerritt, 2019). In addition, through a process of macro-securitisation, relationships, agendas and security dynamics have been consolidated. Globalisation coupled with a universalist narrative, western born and universally imposed, have constructed a neoliberal system of economic and ideological dominance, with clearly defined threats to it, regionally and globally. It is those security threats the War on Terror was designed to fight and eliminate, based on, as well as through, the neoliberal, universalist narrative of a hegemonic social, political and economic culture. Thus was achieved the implementation of policies and procedures, ideas and cultures, that promote the structures and ideologies that will maintain hegemony. Gramsci argued that a key factor in achieving hegemony is to convince others that your preferences are their own. In Iraq this has met with partial success; where it has been unsuccessful, it has resulted in death, destruction and a long war.

The American hegemonic state, a truly global imperial power, was in a position at the end of the Second World War to master primacy in the global economic system under its single imperial-hegemonic design. The USA first established itself in Central and Latin America and then followed an Open Door imperialist policy in Eurasia and other parts of the globe, first through the Bretton Woods arrangements and then for the late 1970s onwards through neoliberal glo-

balization. This system, however, rests on a heavily hierarchical structure, both in terms of class and in terms of administrative/ institutional divisions. There can be no capitalist globalization without these hierarchies (states, aggregation of geopolitical blocs, class divisions, separation of state and civil society). As a result of this hierarchical structure, the major beneficiaries of neoliberal globalisation are large trans-national corporations and wealthy investors based in the Western states. Neoliberalism has been a disaster for the peoples of the developing countries, including Iraq and other MENA countries. Although seemingly neutral, the major institutions of neoliberal globalisation, the IMF and World Bank, both emerged from the Bretton Woods conference, in practice end up serving powerful interests of western countries.

'[W]hoever controls the Middle East controls the global oil spigot and whoever controls the global oil spigot can control the global economy, at least for the near future'. (Harvey 2005, p. 19) This is how David Harvey summarises the importance of the oil-rich region of the Middle East for the US global hegemony. Throughout recent history, the oil-rich regions of the Middle East have played a key role in determining US foreign policy, This is simply because the Middle Eastern oil regions currently account for 65 per cent of the world's proven oil reserves, and 30 per cent of its day-to-day production, and therefore the Middle East has been the geographic centre of gravity of the world oil industry (Renner 2003). They are therefore a truly vital strategic US interest. Since the new and bountiful discoveries of cheaper oil in the Persian Gulf just after the Second World War, oil from the Middle East has gradually come to displace US oil. Without direct and secure access to this resource, the world economy would fall into a very serious crisis, and the position of the leading power, the US, would be dealt a mortal blow. In order to continue growing, the US-dominated world capitalist economy needs plenty of cheap and readily available oil. The Middle East supplied 22 per cent of US oil imports, 36 per cent of OECD Europe's, 40 per cent of China's, 60 per cent of India's, and 80 per cent of Japan's and South Korea's in 2006 (Energy Information Administration Annual Energy Review 2006).

But this dimension cannot be reduced solely to matters of economic prosperity, even though it represents a part. Above all, the oil dimension in US foreign policy is a strategic one which mainly concerns exercising global power, a central part of US global hegemony. The purpose of this essay is to seek some understanding of how and why the oil of the Middle East came to play a central role in the rise and continuation of the hegemonic position of the US.

When a hegemonic power imposes its political and economic authority over a region, it does so in relation to its allies and its local protégés. Gramsci used the term 'hegemony' to signify that the dominant power leads the system in a direction that not only serves the dominant group's interests but is also perceived by subordinate groups as serving a more general interest (Gramsci 1971: 106-120, 161). Harvey's usage of the term is similar: 'the particular mix of coercion and consent embedded in the exercise of political power' (Harvey, 2005: 36). US ally Japan and West European economies are dependent on oil imports from the Middle East, and US protégés in that region, the oil monarchies, require US protection and military and political support. Through its influence over the oil-rich regimes in the region, the US has consolidated its strategic presence in the Middle East by effectively controlling the 'global oil spigot'. This seems

also an effective way to ward off any competition for top position in the global hierarchy as all its competitors are heavily dependent on this essential source, oil, coming from the Middle East.

The question of US influence over Middle Eastern oil-rich countries has become increasingly important since the Second World War. Between 1940 and 1967, US companies increased their control of Middle Eastern oil from a mere 10 per cent to over 60 per cent. (Monthly Review 2002). The so-called 'Carter Doctrine' of January 1980 perhaps symbolises this heightened significance of the region's oil for the US state more than anything else: 'Let our position be absolutely clear: An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force' (given in Klare 2004: 45-47). President Jimmy Carter, in his annual State of the Union Address to Congress, also reiterated his plans to increase military spending by 5 per cent, with special emphasis on developing a 100,000-man 'rapid deployment force' capable of intervention in the region. President Carter himself did not use the term 'Carter Doctrine' to refer to his policies in the Middle East in any public statement during his term in office. However, the label was used later in official US documents (see Meiertons 2010).

More than 30 years have passed since the first expression of the Carter Doctrine, and the significance of the oil-rich Middle East for the global position of the US remains as one of the central pillars of world politics. It ensures, with the use of violence if necessary, that Middle Eastern oil remains accessible, free-flowing, cheap, and under US control.

The politicisation and concentration in the Middle East of the oil business went hand in glove with the region's commercialisation, privatisation, and concentration of the global arms trade. In the 1950s, some 95 per cent of US armament exports had been provided as foreign aid, whereas by 1980 the foreign aid as armaments had fallen to 45 per cent and by 2000 to less than 25 per cent. From the early 1970s onwards, when the petrodollar became an essential dimension of the US global hegemony. US defence production experienced a high degree of privatisation and internationalisation, followed by an unprecedented degree of mergers, acquisitions, and consolidations according to the pattern of 'new multinational corporations'. From the early 1970s onwards, the Middle East became the world's chief importer of weaponry, taking the lead from South-East Asia. In this way, a large amount of that oil income, petrodollars, started to be spent on buying armaments and hence turned into weapon dollars. Tensions in the region, in particular the escalation of Arab-Israeli conflict, created the necessary conditions for a type of dollar recycling based on arms trade. Since the 1940s, the role of the Middle East in world accumulation had been intimately linked to oil exports, and from the 1970s onwards, this trade became the basis of the petrodollar system, which was then accompanied by another dimension: turning a large amount of this oil income into weapon dollars (Nitzan and Bichler 2002, p. 25). These two flows provided a powerful new lease of life for the US economy, inasmuch as their combination was associated with the generation of substantial profits for the US arms manufacturing industry, American-British giant oil companies, and of course the US Department of the Treasury. Most importantly, these two flows (oil going out, and weapons coming in) were dolla-

rised. Thus, for example, in 1974, Saudi Arabia's arms imports were worth \$2.6 billion, whereas between 1985 and 1992 this figure increased ten times and reached \$25.4 billion. Throughout the 1970s and 1980s, the US increased its arms sales to Middle Eastern states, in particular during the Iraq-Iran war of 1980–88. The amount of arms sales to the region reached its peak in 1988 when 'the Administration suggested increasing US arms exports by \$3.3 billion, to a level exceeding \$15 billion – with proposed shipments worth \$3.6 billion to Israel, \$2.7 billion to Egypt, 4950 million to Saudi Arabia, and \$1.3 billion to other Middle Eastern countries' (Nitzan and Bichler 2002, p. 261). Sharply intensified armed conflict and quickly rising tensions in the Gulf region and (with the end of the Cold War) Central Asia and North Africa, including the Pakistani/Indian conflict, meant much greater US military involvement in the region, and greater consolidation of the alliance between US arms manufacturing/weapons trade and energy interests.

Since the end of the Cold War, the US has waged four wars in the region (two in Iraq, one in Afghanistan, and one in Libya) and is currently threatening more. Each conflict has of course its own specific reasons related to local conditions. However, there is a common denominator: the need to keep the oil of the region ample and inexpensive, and most importantly, under firm US control, so that the US-led system of global capitalist economies can continue to grow. US strategists do not simply want to obtain oil, which is a simple matter if one has money. They also want to eliminate all potential competitors, safeguarding the region politically and militarily so that the flow of oil from the Middle East to world markets can happen under its direct control.

In the Middle East, control of the region's oil resources, keeping the US dollar as the only currency used in the world oil trade, and using these effectively to prevent any challenge to the hegemonic position of the US are all interlinked and cannot be separated from each other. On 22 March 2003, at the beginning of the US-led war against Iraq, General Tommy Franks, chief commander of the US forces in Iraq, was explaining one of the key objectives of the Operation Iraqi Freedom as 'to secure Iraq's oil fields and resources' (CNN.com 2003). Securing US interests regarding the oil resources of the Middle East is not as simple as just going and militarily capturing key positions of a country. Political events since 2001 have clearly demonstrated that superior military forces of the US and its Western allies may take but cannot hold Iraq's, Libya's, or other Middle Eastern countries' oil. Far from staving off the downfall of the US economic and financial hegemony, the continuing military aggression and arrogance of the US state may instead push the regional powers to distance themselves from its strategic goals. Member countries of OPEC, for instance, have sharply increased deposits in other currencies including the euro and the Japanese yen, and placed less in dollars starting from 2001 and the Afghan War. OPEC members cut the proportion of deposits held in dollars from 75 per cent in the third quarter of 2001 to 61.5 per cent. US dollar-denominated deposits fell from 75 per cent of total deposits in the third quarter of 2001 to 61.5 per cent in the last quarter of 2004. During the same period, the share of euro-denominated deposits rose from 12 per cent to 20 per cent (FT.com 2004).

### **The structural violence of neoliberalism**

The term 'structural violence' was introduced by Johan Galtung in his article 'Violence, Peace, and Peace Research' (1969). It refers to a form of violence wherein some social structure may harm people by preventing them from meeting their basic needs. Structural violence, he argues, is an "avoidable impairment of fundamental human needs" linked to social injustice, political, economic, cultural or legal limitations. It is the result of a power system wherein structures cause harm: people are mal-developed or killed by poverty, unjust social, political and economic institutions. Like armed violence, it can kill, but also cause physical, social and psychological damage. Structural violence and direct violence are said to be highly interdependent, in a context of dramatic inequality, including gender inequality, poverty, hate crimes, racism, police violence, state violence, terrorism and war. The structural violence of the neoliberal system resulted in all of the above, in Iraq and in other Middle Eastern states.

'The failure to make the security of Iraqis a priority; the initial imposition of a puppet government of mostly exiles without popular bases in Iraq; the mass unemployment inflicted by the dissolution of the army and purge of the bureaucracy; the halving of GNP/capita compared to 2001; the flooding of the country with foreign mercenaries and contractors; the near-absence of post-war reconstruction (...) the expenditure of reconstruction money outside Iraq or its dissipation through massive corruption, war profiteering and enormous salaries for foreign contractors', as well as the privatisation and selling off of 'Iraq's oil assets to Western buyers' created grievances, opposition and mobilisation that took the form of and resulted in insurgency, terrorism and Balkanisation (Hinnebusch, 2015, p. 263). The violence of the system linked to social and economic injustice, physical and psychological trauma, created the insurgency, counter-insurgency, fragmentation and daily criminal violence that has led to the loss of hundreds of thousands of civilian lives and insecurity in all sectors: food security, health, community, economic, political and personal security.

Globalisation was expected by some to transform states, by putting an end to 'realist dynamics at the system level by spreading the "zone of peace" to the region' (Hinnebusch, 2015, p. 173). This may have been a realistic expectation, had peace been at the heart of Western policies in the region. Instead, the oil reserves of the Gulf have been the main stake in these wars, not only for the hegemon, but for the economic health of the world capitalist economy. And, as predicted, neoliberalism has fostered inequality; a growing unemployment that has gone hand in hand with poverty and mass migration. Globalisation makes security interdependent; terrorism, gun crime and illegal migration are spill over effects of structural, political and economic insecurity in the developing world. Iraq today shows how globalisation incites rebellion and radicalisation. The advancement of the neoliberal agenda by industrialised states through globalisation has failed to deliver the economic stability and growth it promised. Instead, globalisation continues to increase the gap between rich and poor, between and within states. Ultimately, inequality is the biggest threat to global security.

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