

BURSTING THE MILITARY BUBBLE



Long after the street celebrations in Baghdad have ended a more awkward reality will dawn upon the international community. 'Victory' over Iraq will not bring an end to war. It will just move the conflict on to different terrain. This is what the peace movement now has to engage with and explain.

Few will mourn the passing of Saddam Hussein but fewer still will celebrate a liberation that turns out to be no more than becoming America's 51st state. Governed by a US army of occupation.

Illegal under international law, this would also have the effect of uniting muslim fundamentalism and arab nationalism in an ongoing war of attrition against the occupying armies. Perversely, it would also recast the historical significance of Saddam Hussein, not as a sectarian tyrant but as a fearless opponent of western imperialism.

Initially, the 17 million Iraqis currently reliant on food aid and the 1.5 million in southern Iraq with no access to clean water will not be fussed about history. They will just want to survive. They will be grateful for the food and water and medical aid that keeps them alive. But the politics of food aid will not survive for long in a country with enough oil wealth to be able to feed itself (and many others in the region besides).

The Bush administration faces a problem it is bound to get wrong. The only possibility of peaceful post-war reconstruction in Iraq is for it to be under the UN rather than the US. The hawks around Bush (and Bush himself) cannot allow this. The UN could not be guaranteed to allocate all oil rights to US corporations. Nor could they be relied upon to deliver a post-war Iraq that would lend itself as the platform for further regime change in Syria, Iran, the Lebanon, Saudi Arabia and beyond. The Middle East agenda for Bush's hawks (including the Sharon regime in Israel) sees Iraq as the first in a series of military forays that will 'modernise' Islam in ways that make it more compliant with US/Israeli interests. It will, of course, have the opposite effect.

Iraq will be reconstructed in America's image and under American military control. It will also become America's next Vietnam. The troops will have to stay there to get the oil out that will pay for the next (and the last) war. The troops will also have to protect the US corporations (a who's who of Bush's main financial backers) who have been given all the major contracts for post-war reconstruction. They will not be able to escape the role of an army of occupation. As such, US troops will find themselves targets for both secular and fundamentalist militias. Al Qaida could not be happier. And the American public (as well as that in Britain) will ask angry questions about their own post-war casualties in a peace that is as elusive as that in Palestine and Israel.

Faced with this prospect, why would the Bush administration want to reject operating under the legitimacy (and cover) of a United Nations led reconstruction programme? The answer is oil.

Many of those who have opposed the war on Iraq did so on the grounds that this is a war about oil rights rather than human rights. Although this is true, it is a complex rather than a simple truth. America needs the oil more to support its currency than its consumption.

Whoever produces oil from Iraq's vast reserves the US, as the world's richest nation, would be able to buy all it needed. The US only begins to get into real and serious difficulties if other oil producing countries were to follow Iraq's decision, in November 1992, and price their oil in euros rather than dollars.

The whole US economy is underpinned by the global pricing of oil in dollars. It effectively requires all governments to hold US dollars as the principal element of their foreign currency reserves. In return, the American economy can live in fantasy land. Last year, US imports were 48% higher than the value of their exports. Bush's financing of the war on Iraq, the whole of the 'son of star wars'/weapons in space programme, and the tax concessions to America's rich are all being paid for by a doubling of US foreign debt.

The world just buys up however many dollars the President decides to print. All this would change if OPEC countries priced oil in euros rather than dollars. The best way for Europe to slow down the Bush military juggernaut is to work with OPEC in pursuit of this change. The best way for OPEC countries to ensure their own survival is to pursue this change. And the best way for the United Nations to lever a return from militarism to diplomacy and the rule of law is to align itself with such a change. The consequences would be dramatic.

Japan is the largest holder of dollar investments and US foreign debt. It also imports over 80% of its oil from the Middle East. If oil were priced in euros Japan would sell back most of its dollar holdings. Like any other country, the USA would then have to produce tradable goods in order to pay for its imports, rather than just printing more money. Bush would have to tax Americans for the wars he wanted to fight. Wall Street would have to invest in the real economy rather than speculate in 'bubble' economics. And the whole development agenda of the South would no longer be dominated by dollar indebtedness. This is a case for understanding the geopolitical role that the euro could play rather than a case for Britain joining it. For OPEC it is more about giving themselves currency choice in the pricing of oil rather than being subject to dollar hegemony. For the rest of the world it is about not having to be the funders of Bush's military adventurism. For the anti-war movement, it may be the single most important step that could take us away from an unending series of wars in the Middle East.

This is no mere foreign policy issue. The war momentum is already transforming domestic politics; moving us inexorably towards a post-democratic, authoritarian state. Bush believes he has found the formula for a new era of military imperialism...and his own re-election. Terrorism has become the perfect enemy - invisible, ubiquitous and able to generate the fear that justifies the removal of any number of civil liberties.

Corporations are being given untrammelled freedoms to move money around without restriction or constraint. Citizens face increasing restrictions in their freedom of movement, freedom of expression and rights of access to the due processes (and protection) of the law. Making these connections is now critical to the whole agenda of the global peace movement. We have to act, not only in solidarity with the innocent in Iraq, but also in solidarity with ourselves.

Martin Luther King insisted that "peace is not the absence of war, but the presence of justice". Whether in the Middle East, the South or the industrial North this has to mean a combination of economic justice, democratic justice and environmental justice.

None of these can be delivered through the barrel of a gun. All require a return to the founding principles of the United Nations and the centrality of the UN role in a post-conflict Iraq. This has to be not as a bolt-on afterthought to US military governance of Iraq but as the only sustainable alternative to it.

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