

The National Insecurity State

By Michael Keaney

Clyde W. Barrow: *More Than a Historian: The Political and Economic Thought of Charles A. Beard*. New Brunswick, NJ: Transaction Publishers, 2000.

Chalmers Johnson: *Blowback: The Costs and Consequences of American Empire*. New York: Metropolitan Books, 2000.

The historian William Appleman Williams famously depicted U.S. foreign policy as *The Tragedy of American Diplomacy*.¹ The appearance of Clyde Barrow's *More Than a Historian*, coupled with that of Chalmers Johnson's *Blowback*, provides a useful opportunity to reflect on Williams' portrayal. While Barrow offers a penetrating study of Charles Beard, a fierce critic of U.S. foreign policy and a key influence on Williams, Johnson personifies U.S. policy. And at a time of readjustment in U.S. policymaking, as the Bush administration attempts to stamp its own unique identity upon proceedings in contrast to that of its predecessor, each book in its own way reminds readers of the persistence of deep continuities that, all rhetoric aside, shape the perspectives of most in the U.S. political class.

In arguing that economic interests determined the composition of the U.S. Constitution, Charles Beard's *An Economic Interpretation of the Constitution of the United States* (1913)² shattered some shibboleths that, even today, remain sacrosanct. Even then, the worst form of criticism that could be lobbed Beard's way was that he was a Marxist and was dutifully ascribing historical events to a historical

¹New York: W.W. Norton, 1988.

²Republished by Transaction Publishers, New Brunswick, NJ, 1998.

determinism that was itself determined by the normative politics of Marxism. As Barrow demonstrates emphatically, devoting an entire chapter to the subject, Beard consistently denied the attribution of Marxism and cited instead the seminal work of his colleague, E. R. A. Seligman, whose *The Economic Interpretation of History* (1902) spawned a flood of studies whose authors claimed to employ the method outlined therein.

Barrow details the two “theoretical innovations” introduced by Seligman to extract the methodological Marx from the polemical Marxists. Firstly, Seligman reconstructed the method of economic interpretation to take account of geographical factors in economic development. Like Thorstein Veblen, he also rejected the notion of the homogeneity of class interests, arguing instead for a more interpretive, historically informed treatment of class relations. And he eschewed the unidirectional determinism of the base-superstructure model, stressing instead the reciprocities inherent in that relationship. Seligman also emphasized the contingency and indeterminateness of history (akin to Veblen’s notion of history as “blind drift”).

The second innovation was, perhaps, more fundamental than the first. Seligman argued that the method of historical investigation employed by Marx was logically separate from Marxist economics. It was this, more than anything else, which made the method of the economic interpretation of history respectable in academic circles and beyond.

The profound shock of the ascription of less than morally pure motives to the framers of the U.S. Constitution, however, meant that Beard did not escape the opprobrium that Marxian writers usually met. The public uproar that accompanied his *Economic Interpretation* established a pattern that followed him for the rest of his life. This was especially true of his mature understanding of U.S. foreign policy.

Despite his controversial rendering of the Constitution, Beard supported President Woodrow Wilson’s declaration of war against Germany in 1917. Like many other “progressives,” including John Dewey, he was appalled at the near-deification of the state by many German thinkers and the aggressive nationalism this supported. Beard’s motives were quite singular. He believed a decisive victory against Wilhelmine Germany would liberate the German working class from the militaristic authoritarianism of the Hohenzollern state. Beard’s views altered only gradually during the 1920s, but so far cumulatively that by the 1930s he could be portrayed as an isolationist, eschewing Wilsonian “internationalism,” decrying the notion of war with Germany

and Japan and even testifying in Congress against the Lend-Lease Act. Once again, Beard claimed that his views were being misrepresented, that he was not “isolationist,” but “continentalist.” This entailed treating U.S. foreign policy as, in large part, the extension of domestic economic policy. More specifically, foreign policy was to be understood as the result of the *failures* of domestic economic policy. As the efforts of domestic reformers met with the concerted resistance of vested interests, their energies became more and more diverted toward international adventures and adventurism. In this way Beard explained the derailment of Wilson’s New Freedom and (as he saw it) the gradual unraveling of Franklin Roosevelt’s New Deal. As Barrow explains, the “overarching goal of Beard’s continentalism was to reduce America’s involvement in international trade rivalries and warfare through *domestic economic restructuring*, rather than a realignment of global trade relations, international diplomacy, or military confrontation.” Beard’s position was not without crucial supporting evidence, as the contemporaneous publication of E. E. Schattschneider’s seminal study of the infamous Smoot-Hawley tariff, *Politics, Pressures, and the Tariff* (1935), made clear.

Barrow depicts continentalism as the synthesis of German historiography, institutional economics (as represented by Veblen, Seligman and John R. Commons) and non-Marxist revisionist socialism. The result was “a highly original metanarrative of American political development.” According to Beard, U.S. involvement in international affairs extended as far as U.S. interests, themselves constructed in direct response to the failures of domestic policy. Class antagonism could be assuaged or even neutralized by the distractions of adventures overseas, while necessary reforms were either diluted or simply abandoned. Driving this process in the main was a dialectical relationship between Jeffersonian agrarianism and Hamiltonian industrialism that was inherent in U.S. political development. Both were expansionist, and both ultimately interpreted the national interest as involving the development, exploitation and domination of foreign export markets and even whole regional economies. For Beard these policies were inherently contradictory, as the indiscriminate championing of exports would eventually lead either to the curtailment of U.S. economic leadership (as capital exports supported other countries’ economic development) or to war (as competitors rejected the one-sided nature of the “free” trade bargain). Even more troublesome was that, with the state-backed, increasing global penetration of U.S. capital, the property rights of U.S. capitalists were, at least implicitly, subject to the protection of the U.S. state. This was a recipe for

imperial overstretch. Beard followed Norman Angell's study of European and U.S. imperialism, *The Great Illusion* (1910), which drew the bleak conclusion (for old-style imperialists) that imperialist ventures were unprofitable, in that any benefits were more than offset by resultant arms races among imperialist competitors, and police and administration work in the colonies themselves. For Beard, the true explanation of imperialism lay in the more Veblenian identification of "a political alliance between conservative politicians and ambitious naval officers."

It is extremely remarkable that imperial overstretch, costly unintended consequences, antagonistic international relations and the myopic ambitions of conservative politicians and vested military interests all feature prominently in Chalmers Johnson's *Blowback*. The title is derived from a CIA-coined term describing the unintended negative consequences of U.S. policies overseas. The book itself is an unflinching critique of the present conjuncture — how we got here, where we are now, and how we might reasonably hope to avoid continuing on our present trajectory, and even undo the damage of past actions.

Blowback is written with controlled passion. With even less reason than Beard can Johnson be labeled a Marxist or in some way "un-American." Johnson's military and intelligence career gifted him with rare opportunities to feed an innate appetite for knowledge based on a keen appreciation of and admiration for East Asian culture, especially Japanese. This hardly renders him uncritical — Johnson is only too aware of the institutionalized follies that have resulted in the tragic errors committed by the leaders of the Japanese and Chinese peoples. But his sense of tragedy is, like Williams', most acute in his depiction of U.S. diplomacy. Johnson is disillusioned with the conduct of foreign policy and, by extension, the whole U.S. political apparatus, owing to its capture by interests that are myopic at best and malevolent at worst.

Like Beard, Johnson combines a scholarly background in political science with the perspective of the historian. His own scholarship on Japan yielded the influential study *MITI and the Japanese Miracle*,³ spawning a running debate on the concept of the "developmental state." This debate has assumed sharper relevance in recent years, as the states so designated have been cast as "crony capitalism," as opposed to the translucent variety apparently epitomized by the U.S. Conveniently forgotten was the fact that these same regimes were nurtured and often

³Stanford, CA: Stanford University Press, 1982.

bankrolled by their present-day accusers. Absent the “Evil Empire,” U.S. economic interests can now be best served by changing the terms of the alliances constructed during the Cold War to suit post-Cold War “realities.” Meanwhile, powerful conservative interests in the military and political establishment continue to view international affairs through the Cold War lens. And so a new dialectic is born, driving forward the “development” (or even blind drift) of U.S. foreign policy. The economics of the post-Cold War era are different, but the international relations are not. This is most especially the case with the reversion to Cold War modes of reasoning that inform much of the unfolding foreign policy agenda of George W. Bush’s administration.

Beard forecast the undoing of the Hamiltonian push for access to export markets to facilitate the indiscriminate sale of capital goods (that later would undermine U.S. industry). Johnson makes a similar observation with regard to the “export-led” policies of Japan, Taiwan and South Korea, in which the importance of anti-communist bulwarks outweighed considerations of the impact on U.S. producers. Today the threat is much more serious: The Pentagon, in Johnson’s view, has wrested control of U.S. foreign policy to such an extent that sophisticated weapons are being sold to regimes and organizations whose friendliness toward the United States is not subject to indefinite guarantee. The most obvious examples are Iraq and Afghanistan. The CIA’s infiltration of the United Nations Weapons Inspectorate’s Iraqi mission was motivated by that organization’s detailed knowledge of Saddam Hussein’s military arsenal, much of which had originated in the U.S. The embarrassment resulting from the discovery of irrefutable evidence of this by UN inspectors would have been justification enough for the collapse of their mission, given the savory alternative. Better to sabotage the mission than to face public scrutiny. Meanwhile the calamity that is present-day Afghanistan is the direct consequence of indiscriminate U.S. support for any and all groups that opposed the Soviet-backed regime in Kabul. Neighboring Pakistan is now inherently unstable as a result of the flood of refugees escaping perpetual war, while formerly obscure fundamentalist groups exercise unprecedented power thanks to the funding and military supplies acquired from the U.S. taxpayer, who will similarly finance the investment in new generation weapons technology that this policy has made “essential.” Supply, it seems, creates its own demand here, too.

The sale of armaments helps to mitigate the colossal balance of payments deficit, the result of the U.S.’s global economic role as consumer of last resort. But the Pentagon’s economic role extends much further. Johnson details the growth of exports of U.S. military

expertise. Under the Joint Combined Exchange Training Program (JCET), authorized by Congress in 1991, the U.S. Department of Defense provides training to the forces of, as of 1998, *110 countries!* This is seen as an opportunity to acquire detailed intelligence of these countries and their military establishments, as well as grooming “possible assets” for future use. The means might be different but the ends have not changed. Neither have the risks, if the example of Manuel Noriega is anything to go by.

But the export of military wherewithal extends further, via the use of private companies whose activities are not subject to public scrutiny or freedom of information legislation, but are “proprietary information.” Thus former U.S. military officers and employees provide training and assistance to countries such as Croatia, Saudi Arabia, Honduras and Peru, as well as acting as arms intermediaries in order to prevent the U.S. government from being tainted by public association with guerrilla groups in Bosnia and Kosovo. The apparent incoherence of U.S. foreign policy that was, in many respects, the hallmark of the Clinton administration, is, perhaps, better understood as the inevitable consequence of overstretch derived from such indiscriminate, ill-conceived policies that necessitate perpetual “tidying up.”

In the light of Johnson’s analysis, the shift in emphasis within the current Bush administration may be more apparent than real. The more conciliatory, professional diplomacy of the State Department under Colin Powell contrasts sharply with the bellicosity of Donald Rumsfeld’s Department of Defense and Condoleeza Rice’s National Security Council (and the eminence grise that is Vice President Dick Cheney). It is instructive that the more diplomatic should be the former senior military officer who has the authority to withstand pressure from the Pentagon (but only if Powell continues to protect and defend his ex-employer). For Johnson argues that the fundamental problem with U.S. foreign policy is that, because so few politicians have any military experience, they are less able to overrule the generals. Johnson echoes Dwight D. Eisenhower’s warning against the “military-industrial complex,” and adds that it has come to pass:

Ten years after the end of the Cold War, the Pentagon monopolizes the formulation and conduct of American foreign policy. Increasingly, the United States has only one, commonly inappropriate means of achieving its external objectives — military force. It no longer has a full repertoire of skills, including a seasoned, culturally and linguistically expert

diplomatic corps; truly viable international institutions that the American public supports both politically and financially and that can give legitimacy to American efforts abroad; economic policies that effectively leverage the tremendous power of the American market into desired foreign responses; or even an ability to express American values without being charged, accurately, with hopeless hypocrisy. The use of cruise missiles and B-2 bombers to achieve humanitarian objectives is a sign of how unbalanced our foreign policy apparatus has become. The American-inspired and -led NATO intervention in Yugoslavia in the spring of 1999 to protect the Albanian majority in Kosovo was a tragic example of what is wrong (p. 93).

One flaw with this diagnosis is the implicit notion that U.S. economic power is not being employed to engineer desired outcomes. If the consequences are unintended, it is most usually because the “solutions” to problems foisted upon regimes by the perpetrators of the “Washington consensus” are themselves doomed to failure, which is doubtless why the consensus was so short lived.

As Johnson himself notes elsewhere, the IMF “is staffed primarily with holders of Ph.Ds in economics from American universities, who are both illiterate about and contemptuous of cultures that do not conform to what they call the ‘American way of life.’ They offer only ‘one size (or, rather, one capitalism) fits all’ remedies for ailing economic institutions. The IMF has applied these over the years to countries in Latin America, Russia, and East Asia without ever achieving a single notable success” (p. 80). The explanation for this continuous failure lies with the role played by economic theory in supplying a sheen of scientific legitimacy to the most assuredly normative policies.

The idea that mainstream economic thinking reflects or serves the interests of the ruling class can be traced to the works of Marx, Veblen, and John Kenneth Galbraith, among many others. In reiterating this charge, however, Johnson brings a different perspective from that of a dissenting economist. The overtly political function of orthodox economics is put into the context of the prevalence of rational choice-based theories throughout the social sciences, as these are adopted and nurtured by powerful interests. The use of rational choice models in military strategy has come under attack, for example, in the pages of

the conservative *National Interest*, where Anatole Lieven has most recently highlighted the ingrained preference for “stylized warfare” scenarios as producing a class of “Stepford Officers.”⁴ Lieven charges that rational choice theory is rooted “in a particularly narrow version of late twentieth-century American culture” that, when applied to people from very different cultures, is “comically, grotesquely irrelevant.”⁵ However, it became respectable because, in ignoring the differences and “idiosyncrasies” of other cultures, rational choice theory avoided the problems associated with the more historically, institutionally sensitive treatments of scholars and analysts like Edgar Snow, Evans Carlson, Agnes Smedley, and John Service, among many others. Their more nuanced and therefore realistic portraits were of course rubbished as part of the ideological cleansing that was McCarthyism.

The criticisms laid at U.S. foreign policy can be applied with equal force to the economics of the Washington consensus. The discipline of economics has been similarly “cleansed” of approaches that emphasize historical and institutional factors, which are held to be “non-economic.” Instead the basic market model of unimpeded interaction of supply and demand is the ideal against which all social activity is compared and, wherever “possible,” refashioned accordingly. By ignoring the problem of power, economists render great service to it.

Johnson describes the IMF as “essentially a covert arm of the U.S. Treasury, yet beyond congressional oversight because it is formally an international organization” (p. 210). With voting power weighted heavily in favor of the U.S., there is little angst among U.S. politicians compared to that associated with UN activities, where the U.S. has often not been able to ensure the outcomes it desires. However, the Bush administration’s incorporation of economic policymaking within the national security apparatus suggests that the economic-military dialectic driving U.S. foreign policy has swung, for the time being, toward the military. The Stepford economists (it is believed) have inflicted greater damage during the past decade or so than Pentagon-inspired foreign policy folly, and thus must be reined in. The appointment of Paul O’Neill, an industrialist, as U.S. Treasury Secretary, is most symbolic in this regard, given the Wall Street credibility of the Clinton administration’s economic policies.

⁴“Nasty Little Wars,” *The National Interest*, 62, Winter, 2000/01, p. 75. The privatization of U.S. military actions overseas is, perhaps, at least in part a response to this “problem.”

⁵*Ibid.*, pp. 75-76.

U.S. politics and government are so trapped in a psychopathology of empire that is inherently contradictory and, if unchecked, promises not only to result in decline, unraveling and collapse but also in the danger of accumulated blowback where the “rogue superpower” reaps all that it has sown. Johnson lamely suggests that an equitably enforced conscription would help to check the growing disconnectedness of the military from civilian politicians, which is unlikely, given that even with the present professionalized, “mercenary” force, U.S. politicians are constrained by the public’s reluctance to sanction the loss of any of “our boys” in obscure conflicts overseas. Cruise missile “humanitarianism” is the logical, though no less crazy, result.

More substantial is Johnson’s call for a policy of managed trade. Like Beard before him, he argues that policy outcomes require to be managed as much, if not more than, policy processes. But Johnson does not appear to subscribe to Beard’s more detailed conclusions regarding the use of economic planning and the efficacy of syndicalist modes of economic organization. In fact, Johnson is an economic nationalist of a Tory stripe. As such, he wishes to tinker with the prevailing system in such a way that benefits accrue to the U.S. and its citizens first and foremost. While the happy consequences of such a policy include a pruned military, a stronger manufacturing base and the conduct of more congenial diplomacy between states, it lacks a fundamental critique of why the U.S. got itself into such a mess in the first place. Johnson’s is not a dialectical approach capable of encompassing the contradictions inherent in both domestic and foreign policy arising from decades of global capitalist development, and U.S. centrality to that process. Nevertheless, these two publications could be hardly more timely in their discussion of issues integral to the appraisal of the “American century,” including U.S.-led “globalization” and “new world order,” and their legacy. Both, in their own way, offer scathing indictments of the pathologies of the U.S. political economy and its servile social science industry, and, while offering relatively little by way of alternatives, most emphatically stress their absolute necessity.

