

**Socializing the Cost of Globalization, Imperialism, and Militarism:
The Case of U.S. National Debt**
by
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Abstract

This paper examines US national debt and proposes that its causes are to be found in the political and military imperatives structured into the accumulation dynamics of global capitalism. To that end four historically overlapping and essential components of the accumulation process; globalization, imperialism, militarism, and social imperialism will be analyzed. Accumulation strategies are at the same time imperialistic projects involving the internationalization of capital and production which in turn involves imperialism and militarism on a global scale. **

Imperialism here is defined not as "the highest stage of capitalism" (ala Lenin), but as an ongoing project of facilitating accumulation on a global scale and particularly with the ability to use its "creative destruction" (ala Schumpeter) in reinventing itself at a more expansive level. It seeks opportunities in every crisis, and all crises in so far as they are directed against global accumulation, are potential military target. Militarism here is defined as the use of the actual military power and the projection of the preponderance of military power to implement the state's overseas expansion of the interest of the domestic capitalist classes and their overseas allies. Militarism is often associated with an ideology which often presents itself as nationalism to the point that the line between the two is blurred.

Successful militarism/imperialism (military aided imperialism) abroad has been effective owing much of it not just to the fearsome armada purchased from the Military Industrial Complex, but to effective propaganda and the incorporation of the domestic working classes into the imperialistic system. Successful and effective social imperialism at home - a tradition going back to the colonialist/imperialist powers of the nineteenth century, traditionally (at least until three decades ago), has involved the "concession to the masses" in the form of "the extension of the franchise or material benefits" (Neumann, 1944:153-5, cited in Semmel, 1960:13). Joseph Schumpeter (1919) defined social imperialism as an imperialism in which 'entrepreneurs and other elements woo the workers by means of social welfare. As globalization as a stage in the development and evolution of capitalism proceeds, the need to utilize the military as a mechanism of subordinating the global discontent increases. Social imperialism in all of its forms has been the dominant method of co-opting the opposition to global accumulation strategies. But the systemic contradictions stemming from the internal logic of contemporary global capitalism will continue to be its greatest nemesis. As one of the contradictions- the United States national debt and all of its consequences will be analyzed through an analysis of structural imperative within global capitalism.

THEORETICAL PERSPECTIVES

The mapping of a truly hegemonic global capitalist system began in earnest in the period immediately after World War II-the beginning of the era of what Ernst Mandel called "late capitalism." The concerted efforts toward a strong bloc of capitalist states with overwhelming political, economic and military power involved the incorporation of colonial and post-colonial social formations as reproducible capitalist entities into the system. In this regard the creation of an international capitalist class alliance equipped with modernization theory anchored on Social Darwinism was indispensable. As the leader of the "free World" the United States assumed the greatest role in the implementation of the hegemonic strategy for the purpose of capital accumulation through its military, economic and political might. Attempting to understand and to address the new World Order and all of its contradictions, forced many to revisit classical theories of imperialism and introduced various theories on capitalist states and state in capitalist societies . In both cases an analysis of systemic contradictions took the center stage.

Systemic contradictions as they relate to accumulation have been addressed by classic and most recent theories of imperialism, dependency/world system argument, internationalization of capital, global capitalist class alliance, and the transnational "historical bloc." A very useful angle of revisiting imperialism and global class conflict is the "transnational historical materialism" (Murphy, 1994; Augelli and Murphy, 1998; Cox, 1981, 1983, 1993; Gil 1990, 1993, 1995, Rupert, 1995; Robinson, 1998, 2001).

The proponents posit a world in which the global or transnational class supported by a transnational political apparatus and military power expands its interest on a global scale and at the expense of the international proletariat's interests. Therefore, the class conflict on a national level is transformed into an international class conflict. Embedded in this analysis is a touch of Gramsci (1999) and his concept of hegemony, where the new alliance is sustained and its interests expanded through the production and reproduction of ideology of the dominant class and their cultural leadership (hegemonic ideas). Gramsci pointed out that the Western ruling classes ensure the consolidation of their dominant position by manipulating institutions such as the media, schools, churches, and so on.

The "historical bloc" composed of the capitalists, state apparatus and the "organic intellectuals" negotiates as a bloc with subordinate classes to ensure the structure of domination and its reproduction. Although the bloc seeks to maintain total hegemony, occasionally it is confronted by challenges from the subordinates (the struggling masses). To confront these challenges, the bloc attempts at cooption of the anger and opposition by changing slightly the social and economic arrangements. Although not referred to by name, social imperialism has been historically the "bloc's" strategy of dealing with challenges to its domination. The strength of the bloc in this contemporary period is immense and enjoys the assistance of a new breed of organic intellectuals well versed in theorizing and structuring a transnational hegemonic order. Ideologically loaded words such as "freedom and democracy," "free trade," "free enterprise system," "free market," (and host of other free this and free that) are embedded in a language which aims at structuring the world in the image of the hegemon.

The new bloc as Eagan (2003:3) argues seeks the "institutionalization" of the concept of "new constitutionalism" as proposed by Gill (1995). New constitutionalism has three components: "disciplinary neo-liberalism," "panopticism," and "market civilization" (commodification) of everyday life. But it is essential that the process of "internationalization of the state" -the conversion of the state into a "transmission belt," (Robinson, 1996) and an "agency" for the adjustment of the internal structure of the state to policy implementation needs of the global order (Cox, 1987: 254) is in place and reproducible. Cox (1987:109) identifies three distinct world orders, each having its own hegemonic strategy, beginning with the liberal international economy (1789-1873); the era of imperialist rivalries (1873-1945) and that of the post World War II or the era of internationalization of capital and production led by the United States-the "Pax Americana" period . Contemporary debate surrounds the concept of globalization in its historical and structural context and impact. In fact the two main opposing camps regarding globalization have used the concept to mean any one or various combination of internationalization, westernization, democratization, trans-nationalization, civilization, humanization, enculturation, universalization, polarization, modernization and as the "triumph of human liberty" among others. But the connotations of these terms vary and on the one end the apologists for the globalizing empires and their agents regard globalization as any of above as an improvement and others see them as synonymous with subjugation and exploitation. A somewhat reminiscent of the modernization/developmental theories of the 1940s and 1950s in the Western particularly American Social and political Sciences projected a postcolonial world as happy family of nations pursuing prosperity through modernization (capitalist development). By reading the old imperialist theories based on Marx (i.e., Lenin, Luxemburg, Hilferding, and Bukharine) many have drawn a parallel between globalization of today and imperialism of yesteryear (Harvey among others). If globalization is viewed as imperialism, it inevitably involves militarism and militarism in most cases requires a form of nationalism. If globalization is viewed as an agent of change bent on reshaping the World in the image of what capitalism requires, then it ought to involve suggestions for challenging its overwhelming power while resisting the impossible attempt at stopping it all together. The scope of this paper does not allow an exhaustive treatment of conceptual convergence and divergence. But its implications as they relate to the national debt are incorporated. The U.S. national debt has been discussed on various occasions from many political persuasions. Yet the links to structural dynamics and contradictions rarely have been made.

GLOBAL AMERICAN INFLUENCE AND GLOBAL CAPITALISM

After WWI, the United States and its European allies continued to increase their economic, political and military influence around the world, and this only intensified with the conclusion of WWI. Post WWII era became the era of American hegemony directly challenging the Soviet Union's "designs" on the rest of the world. Capitalism desired to reign supreme so as to become a dominant global system. The components of

the historical bloc of this epoch were much more sophisticated than their forbearers. The organic intellectuals devised new hegemonic strategies anchored on "modernization" as a strategy with collaboration of the "modernizing elites" of the less articulated social formations as an important component in hegemonic efforts.

Social scientists theorized about the causes and the nature of underdevelopment and suggested policy prescription. On a mission to aid in the reproduction of capitalism in its dependent variety and prevent communist take-over of these formations, sociologists, economists, historians, anthropologists, political scientists and psychologists began using theory and method in their disciplines to aid the implementation of modernization policies of the western capitalist states. From President Truman's "Containment Doctrine" in the late 1940s through the 1980s, the policies of combating the "evil empire" through massive military spending, ruthless neo-liberal economic policy, effective propaganda and deficit financing were the components of the policy of aiding capitalist development and, the internationalization of capital as a precondition for successful imperialism and accumulation strategy.

The intensity of the propaganda is generally determined by the degree to which the public in the imperial centers must participate in the implementation of the imperial projects. It is in this context that globalization as implemented by the West and guided by the neo-liberal economic policies and aided by greater militarism and militarism as expenditure paid from the general revenue and if the revenue is not sufficient, through borrowing for the purpose of capital accumulation on a global scale. And precisely for this reason, the general public is coached to believe that the empire is expanding "freedom" to the non-Western world and is encouraged to view this category of expenditures not only as a matter of national security, but it is also expected to be a patriot by cheering the structure in its historical role in the process of accumulation. The institutional approach to the miseducation of the public includes the aid of many institutions including but not limited to education, sports, arts, and religion particularly evangelical churches as institutional imperative.

Schumpeter (1951) argued that with the rise of the bourgeoisie, imperialism would disappear and that capitalism would not lend itself to imperialism. I argue to the contrary that the contemporary global capitalism reinforces imperialism and imperialism requires militarism, jingoism and capital's sponsored nationalism. It is possible that Schumpeter's observation was accurate regarding the capitalist mode of World War I era, but today's global capitalism to use Schumpeter's insight has the power of "creative destruction" and continuously reinvents itself. As Schumpeter (1951:96) observed, "nationalism and militarism" while not creatures of capitalism, become "capitalized" and in the end draw their best energies from capitalism. Capitalism "keeps them alive, politically as well as economically".

The contemporary global order has a hegemonic and advanced industrialized nation at the helm with the less developed world with its "de-nationalized" state subservient to it. At least since WWII, the United States has historically been financially, politically, militarily, and according to the proponents of the empire, culturally the leader. This leadership has cost the United States taxpayers much on all fronts. Specifically, the financial burden of maintaining such a huge armada with sophisticated weapons systems has been enormous. As the leader of the advanced industrialized countries the United States taxpayers have been paying for the expansion of political and economic interests of the Western ruling elites. The trade off is in the area of the political support that the U.S. receives in dealing with international crises or challenges to global capitalism's expansion presented as "coalition" or "multilateral" efforts. The foundation of which was established in the period immediately after World War II with its new Western dominated multilateral agencies such as the International Monetary Fund (IMF), the World Bank and agencies associated with the United Nations. Globalization, both as a new form of imperialism in the era of informal empire and as a new phase in the intensification of the expansion and the development of global capitalism, demands militarism as a means of overcoming challenges to its rule. Therein lies the fiscal crisis of the state as manifested by the United States national debt. The dominant classes whose pursuit of accumulation on a global scale has created the massive debt, ironically are the owner of most of the national debt. In other words, the cost of accumulation as O'Connor (1971) observed is socialized.

To be effective, globalization, imperialism, and the coercive mechanisms of implementing the accumulation process must necessarily have the support of the domestic working classes. The extent of the

success of imperialism abroad requires a concerted effort at convincing the domestic working classes to support imperialistic policies abroad. Thus the general public is coached to view intervention not as imperialism, but as a "mission" reminiscent of "White man's burden," a "civilizing mission," and a calling from high above. Convincing the public in the imperial centers of their providential duties is one thing, to ask it to pay for the cost of the mission without promising any concrete reward, however, is quite another. The hard reality is that the cost must be paid by the taxpayers at the expense of their children education, health care, pensions and quality time with their families. The scope of imperial projects abroad dictates the needed level of internal conformity which in turn requires effective social imperialism. In a democratic society, authentic or not the public must give its approval to policies involving their everyday life, their children, and their futures; therefore, it is critical that they are convinced of the "ideal" mission of their government vis-a-vis other people. Debt of this magnitude accrued in the process of accumulation of capital, ends up generating much revenue for the very wealthy creditors who are for the most part the main beneficiaries. This debt service enhances their income and the capital accumulation process. As any other indebtedness, national debt serves as one more conveyor belt for trickle up.

The American empire, like all other colonial empires before it has its own "organic intellectuals" -- ideologues mostly composed of social scientists, historians, the corporate media and even religious institutions responsible for the creation of an effective social control apparatus and effective mechanism of social imperialism as a necessary condition for capital accumulation. The right of the political spectrum aided by the mainstream social science and the corporate media invariably considers the state expenditures on the social programs (welfare, health care and in particular the Medicare and Medicaid programs) as the causes of the growing debt menace to the American nation and its future generations. This group includes the vocal "believers" -the partisan intellectuals at the Heritage Foundation, the American Enterprise Institute, the white supremacists, and the vigilante patriots, and a segment of academia dominated by mainstream economists and of course the pundits appearing on mainstream corporate media. The "left" (as defined in the context of American political spectrum) composed of the socially conscious mainstream social and political activists, journalists, and economists whose elaborations on the issue of fiscal crisis, and national debt have sounded the alarm regarding the disproportionate size of the national debt and its consequences on the present and future generations. Although there are occasional references to the role of the national debt, the analysis does not benefit from being grounded in an understanding of the contradictions within the capitalist system.

Indeed it is only within the context of a broader view of systemic contradictions that the issue of national debt is best understood. Only when grounded in an ontology and in a history, one can discern the systemic dynamics and contradictions. In this regard it is imperative that a meta-theoretical framework be utilized that include an elaborate set of conceptual tools capable of unearthing and exposing the structural contradictions and the manner in which these contradictions generate appearances which are then packaged as legitimate outcomes of a market which in reality is governed by the logic of capital accumulation undergirded by Social Darwinism. The role of military spending on the burgeoning national debt and the contradiction within Capitalist State must be grounded in a history which included imperialism and its modes of expressions such as and (particularly) globalization. First let us consider the case of the mainstream (classical and neoclassical) thinking in economics which for the most part conveniently ignores the structural contradictions and issues.

CLASSICAL ECONOMICS: LIBERALISM AND NEO-LIBERALISM

Classical economics began with the work of William Petty, Adam Smith, James Stuart, David Ricardo, J.B Say, Jeremy Bentham and a few of their contemporaries. The revulsion against mercantilism of the time (economic nationalist) was the energy that drove Smith to consider an alternative model of political economy based on the (now often misplaced) misplaced notion of competition and the sanctity and the wisdom of the market. If the classical political economists considered, at least on the surface, "morality" (i.e., Smith) to be an important prerequisite for participating in the jungle of competition and market forces, today, it appears that commodification of everyday life as a re-ification of individual rights has made "moral sentiments" irrelevant at best. Both the ontology and the methodology of mainstream economics reify the individual rights at the expense of the collective rights. For laissez faire, rationality, utility maximizing economic agents, competition etc.etc., are components of individual-based ideology separate from structure and consequently oblivious to its contradictions. Since it is based on a "false" ontology and

employs a mathematical deductivist method it lacks the power necessary to resolve its contradictions (Ardebili, 2005). That is, the ontology upon which it anchors its assumptions does not allow a needed penetration of the subset and beneath the veneer of what is perceived as real. The end result is that within the "closed system" (Lawson, 1999) in which it operates, it must rely on empiricism and ideology rather than science.

Economic liberalism was the dominant mode of thinking and state ideology (liberalism) until the Great Depression of the 1930s. The rise of Keynesianism -demand maintenance, state regulations/intervention, public works were all components of the new macroeconomic approach to business cycle in the form of the New Deal. The Keynesianism of the 1930s through the 1960s was used to "legitimate" policy for the ruling elites of the capitalist West. Keynesianism also supported the ideological struggle against the "Communist" East. The expansion of F.D. R's welfare system culminated in President Johnson's "unconditional war on poverty" and the introduction of currently controversial new programs such as the Medicare and Medicaid.

The burgeoning national debt is a systemic and a structurally determined and perpetuated crisis. The contradictions within the system stemming from the class structure of society, the declining rate of profit and the crisis of legitimation, and the problem posed by managerial strengths and weaknesses is causing increases or decreases in the severity of the crisis. Commenting on the regime of monopoly capital, O'Connor (1971:40) states that "the basic cause of the fiscal crisis is the contradiction of capitalist production itself...." And in the long run, monopoly capital socializes most of the capital costs and the social expenses of capitalist production. The resulting fiscal crisis...expenditures surpassing revenue-or the social cost of accumulation becomes a fiscal crisis of massive proportion. Let's look at the contradictions of accumulation and legitimation during the last two decades of monopoly capital and the national debt and militarism connections in the context of accumulation.

THE 1970S AND THE REGIME OF MONOPOLY CAPITAL ACCUMULATION

The 1960s capital's strategy had three main components-aggregate demand manipulation through fiscal and monetary policy, the productivity deal, and the investment in human capital (Phillips, 1980:129). The period between 1945 and the late 1960s was an "expansive" capital accumulation period and the capitalist classes in the imperial countries managed to "buy social peace at home and support for imperialist policy through social reform" including but not limited to full employment and social security policies (Lorimar, 1997:14). Thus Pennant Rhea, editor of The Economist Magazine, lamented that "the post-war welfare system was an import from Marxism forced upon the rich by the Cold War" (Lorimer,1997:14). However, by the end of the 1960s, inflationary conditions set the stage for the 1970s crisis in global capitalism in the form of stagflation (Phillips, 1980:129), leading to the break-down of Fordism as an accumulation regime and the rise of the Neo-Fordism with its emphasis on a greater rate of exploitation of labor. The stagflation of the early 1970s was compounded by the so-called oil embargo, and the strategists of capital viewed the increase in the price of oil as another opportunity for capital accumulation. That is, "...consumer payments for high priced oil in the importing countries represent a diversification from other forms of consumption...creating investible funds in the hands of the OPEC countries" (Robert Roosa cited in Phillips,1980:248). Petrodollar recycling along with reduction in wages were critical components of accumulation process. As a tradition in the process of accumulation the lowering of the value of labor-power has always been an essential element of a successful accumulation (Phillips, 1980:250). All that has changed is capital's strategy in response to working class struggle. Labor struggle in the early 1970s was in the form of strike and demand for higher wages and better working conditions. In 1973 and 1974 the number of days lost to strikes in the US was 28 and 48 respectively (Yearbook of Labor statistics 1975 cited in Phillips table 45 page 250). The 1960s and 70s were witness to an increasing number of strikes by public employee. The number of strikes dropped from a record high of 470 to a record low of 29 in 1997. In the 1980s strikers were replaced with non-union workers. Strike or accepting wage reduction on the part of organized labor were the only weapons of choice, while attempt at reducing labor's earnings took many forms. "The failure of commodity inflation to restore the conditions favorable to accumulation left capital with little choice but to engineer a worldwide depression to stop the global wage struggle" (Phillips, 1980:251). And the third attack on labor by capital took the form of global austerity (between 1976-1978) implemented by the IMF and which most countries, including the United States and Britain, were affected through lowered expectations.

The return of finance capital in its most ruthless form following the stagflation of the 1970s, was responsible for the deficits and the growing indebtedness of the states, as well as for the crisis of the debt of Third World countries (Dumenil and Levy, cited in Epstien, 2005). The 1970s were the last decade of the reigning monopoly capital and the state had a negotiated role of buying social peace for accumulation purposes (Ross and Trachte, 1990:64-66). One of the main contradictions was the rising surplus (instead of declining rate of profit as suggested by Marx) and the absence of a credible consuming class to take care of the surplus (11). The attempt at resolving this contradiction required the expansion of the welfare state as a response to inadequate domestic demand and the expansion of the warfare state so as to find overseas market for investment of surplus capital not consumed by the domestic middle class (O'Connor, 1971:150). The limits, however as indicated by Baran and Sweezy are set by the "private interests of the moneyed oligarchy" and the fact that "the strategic role of military spending within monopoly capitalism" whose interests lies in the absorption of "rising surplus" by the state must occur "through the growth of military establishment" (Ross and Trachte, 1990:44). Militarism and imperialism are "inherent features of capitalist economic development..." (O'Connor, 1971:151). It is in this context that militarism often appears in the form of nationalism which in turn reinforces militarism and the line between nationalistic sentiments and militaristic tendencies appears blurred.

Keynesianism in the form of state fiscal policy attempted the implementation of social imperialism through lower taxes and higher state expenditures. Fiscal policy (taxation and expenditures) must be viewed in terms of the class structure of society, its role in the reproduction of the class structure and the political economy of capitalist production and accumulation. Welfare programs then as now being the cheapest of all social expenditures, became the poster child of a tension-free capital accumulation process. The accumulation process has always required an effective legitimation apparatus often appearing in the form of social expenditures. O'Connor (1971) describes two categories. First, social expenditures has two main subcategories: (a) social capital expenditures (education, research etc.) and (b) social consumption expenditures (medical care, child care and social services and unemployment benefits). The second category sustains legitimation and that of social expenses expenditures, such as welfare and warfare expenditures (O'Connor, 1971).

Today, legitimation is as much of a concern as it was during the 60s and 70s. As then the two contradictions--legitimation and accumulation, involve the participation of nearly every state agency and are realized by "every state expenditure" (O'Connor, 1971:7). Nevertheless, welfare as a partial solution to the "under-consumption" problem while serving as a legitimacy mechanism remains and will remain (as will most of the state expenditures) because of its role in the accumulation and legitimation process. That is, the state facilitates accumulation "...through demand maintenance;" it also reproduces the class system through its legitimation function which involves the cooption of popular discontent through welfare expenditures as did the Keynesianism of the 1930s in the form of the New Deal. Furthermore, as O'Connor (1971) points out, state spending on social expenditures (capital and consumption both) contributes to accumulation. Capital controls labor and the control leads to low wages. But low wages lead to low consumption thereby making the realization of profit more difficult. It is imperative to have the means of consumption necessary to augment the loss of purchasing power due to lower wages and to expand the existing market. To that end increases in consumption are attained through the availability of credit (indebtedness), deceptive marketing strategies and intensified competition. Individual indebtedness has always served as a great mechanism of social control and source of insecurity. Social imperialism works accordingly to address concerns of legitimation as well as creating the domestic base of external imperialism by incorporating the working classes of the home country by presenting imperialism as being necessary for the pursuit of national interests. Militarism as national honor becomes an ontological point of reference. Lately we have noticed that this strategy relies much more on the fear factor and insecurity than the traditional means of legitimacy generating welfare expansion.

By the late 1970s, the problem with accumulation raised questions regarding the viability of maintaining social welfare and of continuing with modest wage increases. In the United States, the allegedly welfare friendly Carter Administration created the basis for an attack by the neo-liberal camp. The working class had to go along with the global austerity by submitting to lower expectations in the face of cuts in social programs, reduction in wages and higher rates of exploitation. In this period as part of the "new reality" heralding the rise of a global platform for increasing internationalization of capital and production and

forced a rethinking and a shift in the principle of "welfare state" (Teeple, 2007:1). The creation of disciplined and insecure workers was the key to the success of a restructured regime of accumulation (Lorimar, 1997:14; Phillips, 1980:250). The new regime of accumulation was extraordinarily cold, heartless, uncompromising and reckless. Similar to regimes before it, this social regime required institutions, ideologies, and global hegemonic tendencies along with effective social imperialism to create the environment for long-run capitalist profit. The 1980s was the beginning of this new social regime of accumulation.

THE 1980S AND BEYOND: NEO-LIBERALISM ON THE OFFENSIVE

This period represents the rise of neo-liberalism and the worsening fiscal crisis of the state. It is the era of post-Classic Social Imperialism.

From the 1980s, the advent of economic neo-liberalism followed a persistent global economic crisis in the West. The so called "Reaganomics" in the U.S. and "Thatcherism" in Britain were the epitome of neoliberalism and a direct consequence of a growing accumulation problem in the global economy. The interruption in the global accumulation caused by the Iranian Revolution, the Nicaraguan Revolution, the invasion of Afghanistan by former USSR, and the domestic working class demands on capital revived neo-liberalism and militarism. Neo-liberalism manifested itself in the relentless pursuit of obscenely high rates of profit through deregulation, privatization and rugged individualism, and militarism came to define the core of the U.S. foreign policy of containing USSR and the challenges to hegemonic practices on the part of the labor and national liberation fronts.

The political ideology of this period was a rehabilitated Social Darwinism and free market fundamentalism. This in turn reinforced a hysterical nationalism and demanded greater jingoism of the corporate media. Growing US Military spending in the 1980s, economic growth through deficit spending, tax cuts for the rich, reduction in social services were manifestations of changing national and global priorities. The global context was characterized by the Race for Resources and hegemonic tendencies-Machiavellian and imperialistic. Domestically the pro-business policies were hailed as a clean break with the troubling labor dictated condition. From the late 1970s, the attempt at the eradication of the "anti-business" climate manifested itself in an all out attack strategy by neo-liberalism with a global reach. In the post 1970s, legitimation is no longer the concern it was in the era of the Cold War. Allan Greenspan, the former Chairman of the U.S Federal Reserve System whose statements were perceived as policy statements, once remarked that " insecure workers are good for the economy as they keep inflation low" (Congressional testimony 2/26/97). Demoralized labor, insecure labor, unorganized (de-unionized) labor, and threatened labor are necessary and effective components of struggle for legitimacy and hegemony. In retrospect the fiscal crisis of the 1970s was unique in that the state expenditures for the dual purposes of accumulation and legitimation were signs of the power of the organized labor's ability to negotiate better contracts. From the late 1970s and particularly in the 1980s, labor lost its ability to regroup and maintain its ability to collectively bargain. Reaganomics and Thatcherism were the two most ideologically anti-labor attempts at restoring capital's long run hegemony. Comparatively speaking, the current crisis has reached a point of no return for two important reasons-legitimation imperatives and burgeoning national debt. The reduction in social expenditures (war on the poor) out of necessity must be replaced by a set of effective legitimacy generating mechanisms. In the 1980s, tax cuts for the rich coup led with increases in spending caused an annual increase of 13.8% in the national debt. During his two terms Reagan increased the national debt by 200% (from under one trillion to \$2.6 trillion (McGourty, 2006).

Beginning with the rise of economic neo-liberalism and the global capitalist assault on the working class in the 1980s and the uncompromising and determined policy of crushing all opposition to its rule around the world, military might became indispensable. Massive pouring of resources into the military industrial complex and the massive tax cuts for the rich in the United States resulted in the first trillion dollars of accumulated deficits in 1980-81. The grand aim was the dismantling of the Soviet "evil empire" through a crippling arms race initiated by the Reagan administration in the United States and Margaret Thatcher in Britain. In the meantime, the ideology of neo-liberalism aided by militarism was to facilitate accumulation on a global scale. Two interruptions in the accumulation process, namely the Iranian Revolution of 1979 and the Nicaraguan Revolution were viewed as challenges to global accumulation. The Iranian Revolution was to be at least confined within the borders, if not completely eliminated. Therefore, Saddam Hussien

was called upon to respond to that challenge by attempting to invade Iran, but was bogged down in an 8 year long war of attrition. The Nicaraguan Revolution, was challenged by the army of Contras aided by the Reagan Administration and the rest is a story well told. The United States, however continued with the tradition of American intervention (militarily and otherwise) in the affairs of Latin America. To meet the demand of the military spending, the Reagan Administration and the succeeding administrations ran high budget deficits.

"Accumulation by dispossession" is the hallmark of neo-liberal economic policy (Harvey, 2006:6). Globally, the accumulation by dispossession involves indebtedness, privatization of state owned industries, free trade which is suffocating the most vulnerable countries and military interventions. The attack on the poor through indebtedness, eminent domain, pension raiding, and declining access to social services becomes more problematic (Harvey, 2006:8). Indeed, the essence of neo-liberalism globally as well as domestically, involves the domination of capital over labor. In the era of post classic social imperialism, the implementation of globalization and the entire hegemonic and imperialistic strategy involves a violent attack on the working class and the poor of the world disguised as free trade, democracy, freedom, and civility. Inequality, both in its creation as well as its maintenance, involves violence, for it demands expropriation and exploitation and the means of coercion to achieve these ends.

Around the world, neo-liberal policies in the form of austerity measures are imposed by powerful multilateral financial institutions like the International Monetary Fund (IMF), the World Bank, and WTO. Aided by these supra-national agencies, global capitalism is steered on the path prescribed by the neo-liberal economic policy (market orientation, privatization and deregulation) for the ultimate goal of creating smooth global conditions for accumulation. In the 1980s and 1990s, global capital mobility and trade increased, but the plight of the workers, growth and employment opportunities showed no major improvement. On the contrary what appeared to be more noticeable was the burden of national debt and declining collective bargaining power on a global scale (Cohen and Centeno, 2005). Indeed the application of Keynesianism both nationally and globally was aided by the Bretton Woods' new International Monetary System and its two powerful supranational institutions of the IMF (through its austerity measures) and the World Bank (ostensibly under United Nations' auspices) and as instruments of centralization of capital against the global working class struggle (Phillips, 1980:126). In the American context, the neo-liberal economic strategy and the slogan of Laissez Faire overshadowed all corporate accountability even to their own shareholders. The merger mania of the 80s and 90s was indicative of capital's strategy for greater consolidation and centralization. In the 1990s, globalization intensified and exceeded all prior efforts and with it came the socialization of its costs. The imperial projects such as globalization is very expensive and according to Chalmers Johnson (2007:63) "The flow of nation's wealth from taxpayers and to (increasingly foreign) lenders through the government to military contractors and (decreasingly) back to the taxpayers" is in the tradition of what Kalecki called "military Keynesianism."

Globalization, even if it is sanitized and defined as "expansion of the free market," has been a mechanism for greater accumulation on a world scale. Effective globalization requires an international capitalist class alliance along with institutions and ideologies both at the national and global level. The significant institutions in this regard are those of finance capital and equally important the military industrial complex. To protect the alliance, and when necessary to project power, military force is required and this gives rise to the state of permanent war. Globalization as imperialism needs an infrastructure on a global scale. The World Trade Organization (WTO) is one component of that infrastructure charged with making sure that globalization and therefore, the accumulation process proceeds uninterrupted. The WTO formalized imperialism of trade engineered by the old "historical bloc" through standardization. The denationalization of the nation-states' polity through incorporation of the nation-states' participation in the process of accumulation legitimizes the process and presents it as voluntary participation. While in the 1990s it appeared that militarism was no longer as overt as in the 1980s, in reality the military industrial complex continued to exert influence on a global scale. The militarism of the 1990s was relatively subdued but still alive and well in an ostensibly "...demilitarized world in which business activity is primary and political power has no other task than the protection of the world free-trading system" (Lorimer, 1997:13). Throughout the 1990s, the U.S. military buildup continued as it did in the 1980s and as it does now serving as a mechanism for greater globalization. Aided by the military, the push for greater integration of the world capitalist system, with a touch of colonialism and an unprecedented degree of practice of Social

Imperialism, continues in its most perverse form. Increases in state expenditures on the military mainly financed through borrowing, have created the need for an alternative means of social control. It is not accidental that we have seen a growing reliance on the culture of fear as a mechanism to mobilize public opinion in favor of militarism abroad. The psychology of living in fear on the part of the public on the one hand and dependence on fear for the purposes of effective social imperialism on the other have worked hand in hand to replace the fear of communism with the fear of radical Islam.

The militarization of a specific society and of the planet requires an effective propaganda. Fred J. Cook (1964:100), observing the late 1950s and early 60s wrote, "The crutch of the Warfare State is propaganda. We must be taught to fear and to hate or we will not agree to regiment our lives, to bear the enormous burdens of ever heavier taxation to pay for ever more costly military hardware...at the expense of domestic programs..." This problem has become much more severe of late and is matched only by the level of public ignorance in the US. Thus, a free hand in the allocation of public funds to military and military related activities and the exhaustion of credit limits as the need to borrow increases with every annual budget preparation and military action abroad. Yet, government borrowing continues to be one of the mechanisms of redistribution of income upwards. And as long as the general public remains ignorant of the facts, and by extension there are no incentives for the political establishment to change course, the long run damage to the socio-economic and the political structure will be irreversible. As James Fallows (2005) points out the current imperial wars fought for so called "freedom" and "security" are producing results such as deficit financing, lowering the taxes on the rich, while at the same time "The deficit helps him more easily slash domestic social programs (Cited in Street, 2005).

In the post WWII period in general and the post 9/11 era in particular, the culture of fear has been effectively incorporated into the toolbox of jingoism and propaganda. The conditioned-to-fear Americans were "longing" in the 1990s for a 'clear-cut enemy' an indisputable target for moral outrage" (Sterns, 2006:212). "We have seen Americans increasingly take not only data ('real or imagined'), but also outright emotional cues from media promptings, using presentations for guidance not only in public fear but also public grief... Media manipulation has been heightened, of course, by irresponsible political posturing. It was no accident that the most fear-soaked television channel after September 11, FOX News, was also closest to the Bush Administration...media and politicians manipulating and Americans sheepishly responding..." (Sterns, 2006:210). Fear dampens the spirit, demoralizes, belittles personality and blocks rationality. The proponents of realpolitik are not as naïve as they appear, rather they have as their brethren in economics and indeed in all fields dominated by the "organic" intellectuals a significant role to play in the overall imperial expansion. In fact some such as Fernando Teson, (2005) go as far as suggesting that the United States has a duty to be a "humanitarian imperialist" by crushing regimes such as that of former Iraqi dictator Saddam Hussein, and the ideologues from the same genre of "organic intellectuals" have revisited the Vietnam War and similar imperial wars just to present them as legitimate and "humanitarian" interventions. From the point of view of domestic classes, the demons of the 'otherness,' the unknown and the most troubling of all the shifting language in describing the American role in the World are viewed as sufficient reasons to cheer what the rest of the World sees as dangerous and costly militarism. Although social welfare expenditures continues to be a legitimacy generating mechanism, increasingly, the fear of the "enemy" as perpetuated by the sensationalist warmongering corporate media (just as in the nineteenth century jingoism of the British media) is a critical factor in establishing and implementing social imperialism. The difference was that the British jingoism defended imperialism outright with occasional references to the "civilizing mission" of the "infallible" and "superior" Anglo-Saxon race. The contemporary jingoism of the American media uses the rubric freedom and defense of "democracy," etc. etc. To subdue popular discontent, the empire resorts to a great degree of actual use of military power abroad and police action and surveillance at home.

Consistent with the strategy of social imperialism, overt use of military power has been and continues to be dressed up as some noble cause—a tradition which goes back to the practices of European colonial empires. The Western colonial empires in the nineteenth century presented their penetration, pillage, and rape of Africa, Asia, and Latin America as modernization and tutelage, aided by the ideology of the "survival of the fittest." This conceit pervaded the entire bourgeois social science, educational and religious institutions. During the height of colonial penetration, imperial control of the colonies occurred through formal (direct control if everything else failed) and informal (indebtedness and comprador control) mechanisms. Today,

Iraq is an atavism in its most grotesque form presented as an exercise in "democracy". Even in its most insincere form, the flouting of "democratic idealism" points to underlying contradiction within the imperial system. How do you maintain democratic ideals in the era of Social Darwinism and ruthless accumulation strategies? How do you promote "democracy" at gun point and with the threat of annihilation and stampede of national pride and sovereignty? Even in the context of the most paranoid condition of the REALIST approach in international relations, survival does not warrant such expenditures unless world domination is the aim of the policy. This is precisely why neo-liberalism operates alongside militarism, war and dictatorship.

Today's global capitalism crushes all unfavorable conditions through oppression and violence to ensure the creation of a world in its own image. Once again colonialism-armed robbery on a global scale-is reproduced and implemented. The difference between the old form and the new form is the scale of destruction and the overt use of Weapons of Mass Destruction (WMDs). Hence the militarization of the globe is a natural outcome. United Fruit Company could not have flourished without the Marines and the U.S State Department and all of its resources; the French, the German, the British and the Belgian financiers could not have been able to suck the blood out of their colonies without their legionnaires, soldiers, mercenaries, preachers, merchants and generals. And today as stated by one of its embedded journalists in the corporate media Thomas Friedman (1999:49), "McDonalds cannot flourish without McDonald Douglas." Friedman is correct in so far as he is pointing out the symbiotic relationship between business and the military. But empirical realities, even those which appear positive, cannot permanently gloss over structural contradictions. Defense Secretary William Cohen, in remarks to reporters prior to his speech at Microsoft Corporation in Seattle, put it this way, "[T]he prosperity that companies like Microsoft now enjoy could not occur without having the strong military that we have" (Talbot, 1999:68). Neither militarism nor neo-liberalism ought to be viewed in isolation from each other. Neo-liberalism is perhaps curiously reinforced by neo-conservatism. Neo-conservatism is "a violent complement of neo-liberalism" and "it adds force of war to the myth of free market under modern imperialism" (Jose Maria Sisson, 2004:5) . "Both neo-liberalism and neo-conservatism are intended to expand US economic territory and to make the pretense at building a market economy and democracy" (Sisson, 2004:5). The neo-conservative and the neo-liberals have benefited from the support of resurgent evangelical Christians in the 1980s. Evangelical Christians grew in power and influence in the first half of the nineteenth century (Bigelow, 2005:34). Not only did they reject the notion of class conflict within capitalism, they "saw the new industrial economy as a fulfillment of God's plan. The free market, they believed was a perfectly designed instrument to reward good Christian behavior and to punish and humiliate the unrepentant" (Bigelow, 2005:35). Neo-liberalism does not function under the umbrella of militarism alone; it needs comprehensive institutional support and demands that all facets of capitalism be employed. In particular the institutions of religion, education, and finance as well as supranational organizations (i.e., IMF, the World Bank and their form of monetary terrorism) have been effectively employed in the implementation of its policies. But, effective control, whether domestic or transnational must involve an ideological apparatus and a coercive power as the neo-liberal policies have shown.

Gramsci identified two distinct methods of politico-social control: physical control or "domination" and ideological control or hegemony through consent (1999). Any discussion of the distinct types of politico-social control elaborated by Gramsci requires an epochal delineation and a global context. But it is the job of the "organic intellectuals" to decide when and what strategy is called for in particular on the basis of a realization that external control requires effective internal control. The success of the military (coercive) operations overseas, requires effective social imperialism. As the level of distrust against the United States increases, globally, and as the domestic problems mount "coercion rather than consensus" becomes a more viable alternative (Harvey, 2003:77). "An unholy alliance between state powers and the predatory aspects of finance capitalism forms the cutting edge of 'vulture capitalism' that is as much about cannibalistic practices and forced devaluations as it is about achieving harmonious global development" (Harvey, 2003:136).

The occupation of Iraq and Afghanistan in the age of concerted and spreading challenges to global capitalism in general and neo-liberalism in particular attest to a global class conflict. And they remain and will continue to present the greatest imperial crises for America while in her neo-liberal and neo-conservative mode. The human cost at the present and in the future and the devastating impact on future

generations, both in Iraq and in the United States will dwarf the current and future expenditures associated with the actual use of personnel and weapons in the occupation and the attempt at subduing Iraq. But the cost of this neo-liberal/neo-conservative militarism and regime change/building, disguised as the "war on Terror", and the export of "democracy" -produced by the contemporary "organic" as well as traditional intellectuals, ought to be viewed in the context of greater hegemonic strategy for world domination. This attempt, however, has several obstacles none of which can easily be ignored. And it is a mistake to think that only a particular party in office rather than the structure itself creates such crises and/or show hegemonic tendencies.

To attribute the imperial practices to a particular political party, then assumes a style of management or variations in the composition of the class (as often erroneously assumed) in each period a particular political party is in power. The "different and sometimes rival conceptions of empire can even become internalized in the same space" (Harvey, 1990:5), and only it is the expression of imperial tendencies that changes (i.e., alleged Clinton's "demilitarization" and Bush's militarism). The line of demarcation in all levels is blurred. In fact the identification of Keynesianism with the U.S. Democratic Party is increasingly a misplaced alliance. As Chalmers Johnson (2007:68) points out "Traditional Keynesianism is a stable two party system composed of deficit spending in bad times and debt payment in good times. Military Keynesianism is an unstable one party system. With no political check, debt accrues until it reaches a crisis point." The modern fiscal policy was born and nurtured in the context of Keynesian strategy of saving capitalism, but it neither prescribed nor forecasted such a fiscal crisis as the United States national debt. And certainly, as an ideology designed to save capitalism from without, did not and could not provide answers to its internal contradictions. "The public finances are one of the best starting points for an investigation of the society, especially though not exclusively for its political life" (cited in O'Connor, 1971:3).

One indicator of a well entrenched "aristocracy of finance" (O'Connor, 1971:190), is the endless tax breaks for the rich and a tax increase for the working class (exploitation). These tax cuts have generated massive windfalls for the rich and well to do of this society. Certainly it has, as expected by the proponents of the "trickle down" theory, some jobs for the working class whose wage rate has not changed since 1972. As the interest payment on the debt is made, the working class must pay higher taxes to pay the interests and is also more likely to fall victim to the austerity measures imposed by the condition of indebtedness. A tax cut for the rich, therefore becomes a coercive method in protecting and expanding the interests of the upper classes (17). The national debt in terms of its determinants and size, has no political party affiliation and is independent of the political party control of the United States congress. It is important to point out that since 1938, the democrats were in control of the White House for 35 years and Republican for 34 years. Over this period, the national debt has increased at an average annual rate of 8.7%. For Democrats it was 8.3% and slightly higher for Republicans at an average rate of 9.7%. (Cited in McGourty, 2007). Of course when correlated with the tax structure and the class aspect, we can see the tilt in favor of the accumulation. Prior to World War II, the wealthiest Americans paid nearly all of the federal income tax. In order to finance the war, income taxes were increased and the majority of workers had to pay income taxes for the first time. As federal tax rates on the wealthy were decreased starting in the 1960s, the tax burden on middle and low income Americans began to grow. This is one of the largest opportunity costs imposed on the taxpayers-the working class and particularly for people on "desolation row." Today, it continues to be the case but is rarely viewed in the context of class struggle. Similarly, the outcome of that struggle, the national debt and all of its consequences is rarely viewed in that context. In the United States, the effects of neo-liberalism are more noticeable as the rich grow richer and the poor grow in numbers and poorer. Because of the inability of the borrowers whether it is the farmers in the United States or countries battered and robbed as colonial possession struggling on the periphery of the world capitalist system to meet debt service obligations. The result is debt trap, alienation, poverty and predisposition to violence. Militarization and war on the one hand, and the worsening position of the working class (both lower and the middle classes) within the advanced societies, on the other, thus represent two sides of the same coin, (Pollin, 2004; Wood, 2003, and Mann, 2003). Furthermore, this inequality is matched by a rising culture of violence, and intensification and glorification of unrestrained consumerism through indebtedness on the one hand and the evolving seclusion of the well to do behind gated communities. Schmitt and Zepperer (2006:16), have documented that the United States economy suffers from substantial "...exclusion, including high level of income inequality, high relative and absolute poverty rates, poor and unequal

educational outcomes, poor health outcomes, and high rates of crime and incarceration." Recently (2007) UNICEF reported that among the developed economies, the United States and England ranked 20 and 21 respectively in worsening conditions of their children. In terms of happiness, the children of these two countries are at the bottom of the scale and the abuses of alcohol, prevalence of violence, drug abuse, sexual abuse and poor health are major concerns. Of course, the United States and Britain have had many rising social problems. Nevertheless, the severity varied from period to period. However, with the advent of the neo-liberalism policies and accompanying globalization, militarism, global accumulation and debt service, their costs became increasingly socialized.

U.S. corporations aided by subsidies are selling weapons systems to governments which are killing their own people. "Rogue" allies have terrible records of human rights violations including the murder of their own people. The need for overseas expansion of "surplus capital" and the expansion of American economic, political and cultural hegemony, according to O'Connor (1971:152-3) are the root causes of the American Militarism. The "Garrison State" (V.K. Dibble, cited in O'Connor, 1971:156) produces a culture of militarism and military based patriotism enabling a worldwide chain of military "colonies." According to Johnson, oil and arms barons have created "a military juggernaut intent on world domination" and are exercising "preemptive intervention" for "oil, Israel, and... to fulfill our self-perceived destiny as a New Rome" (Johnson, 2001).

The relationship between globalization and militarism should be seen as two sides of the same coin. On one side, globalization promotes the conditions that lead to unrest, inequality, conflict, and, ultimately, war. On the other side, globalization fuels the means to wage war by protecting and promoting the military industries needed to produce sophisticated weaponry. This weaponry, and the military in turn, is used or is threatened to be used to protect the investments of transnational corporations, the agents of neo-liberalism, and their accumulation and privatization drive (Staple, 2007). The military is employed to crush any resistance to neo-liberal economic policies. An example of this grotesque imperial arrogance is the IRAQ OIL LAW. Iraq Oil Law is a wholesale privatization of Iraq oil pushed for by foreign oil companies and private (mostly American) contractors such as Bearing Point. Since the occupation, Iraq has become one of only three nations in the world that give corporations all the rights entitled to a human being (i.e. "corporate personhood"). Journalist Naomi Klein describes Iraq as a "modern laboratory for neo-liberal experimentation" (Buckly, 2005). As observed by Duménil, and Lévy (2005), "Neo-liberalism is the ideological expression of the return to hegemony of the financial fraction of ruling classes."

As globalization continues to take effect, large powers will often use their armada in support of the globalizing agents enabling them to Cohen's admission of the role of the United States military in guarding the interests of the dominant class is by no means new. On November 11, 2000, Richard Haas stated that the American global hegemony requires an imperial power capable of extending its control formally and informally. Implicitly Haas is calling for greater social imperialism by claiming that --"Imperialism Begins at Home." To Haas, the concern ought to be with "imperial understretch, not overstretch." Full scale military intervention, according to Haas, can lead to massive destruction, but it could be rebuilt, and of course the task of rebuilding is always left to global corporations invariably from the imperialist countries and their 'rogue' allies. (cited in *John Bellamy Foster, 2003*). General Smedley D. Butler (1935, cited in Pearce, 1982:20) boasting of his achievements in 33 years as a Marine officer serving in all commissioned ranks spending most of his time "being a high-class muscle man for Big Business, for Wall Street and the bankers. In short, I was a racketeer for capitalism" And bluntly put: The de facto role of the US armed forces will be to keep the world safe for our economy and open to our cultural assault. To those ends, we will do a fair amount of killings (*Major Ralph Peters, Constant Conflict, Parameters, Summer 1997, pp. 4-14.*).

The forerunners to the modern day transnational corporations-the East India Companies -used their navies alongside their merchant ships to penetrate faraway land to grab their riches. Contemporary, transnational corporations have continued with this tradition of relying on the political and military power of their national state for successful globalization and control of production, resources and markets. "Today, the Pentagon is realigning and expanding its vast international network of bases along the frontiers of the global economy, such as in central Asia. And in places like Colombia, U.S. troops and weapons are being deployed where uprisings threaten corporate investments." In a recent public statement, U.S. Defense Secretary Robert Gates, using Korea as an analogy, revealed that the United States has no intention of

leaving Iraq anytime soon. Iraq remains and will continue to present itself as a challenge to an uninterrupted globalization and accumulation process and will remain as one of the greatest examples of military power coming to the aid of globalization and accumulation. U.S. political structure has been promoting a radical and vengeful nationalism and military patriotism. Nationalism expressed in military terms (the militarization of nationalism) began with the emergence of "national security state" culminating in the "project for the new American century." The plan for the American imperial domination of the planet envisioned a "new imperialism that would not hesitate to use force if, when and where necessary, and... unilaterally" It anticipated what would later be asserted by Kohl and Feldstien: "We must discourage the other industrialized nations from challenging American leadership and from bringing into question the economic and political established order. We must keep such a military supremacy that potential rivals will be dissuaded from, aspiring to a larger regional or global role" (Veltmeyer, 2005:9). Wolfowitz (along with Richard Perle, and Dick Cheney among others) was also the lead author of "Project for the new American Century"-the how to of unilateral projection of the American military and political power in the service of the empire (Veltmeyer, 2005:14). Not too long after the script was written, the Bush administration "used the last and only refuge of truly unchallenged American global hegemony - its possession of a sheer preponderance of military force - precisely as a tool for shoring up its long-declining world-economic power by putting Uncle Sam's boot on that great strategic economic (and military) prize in an age of global petro-capitalism: the Middle Eastern oil spigot" (Harvey, 2003). The neo-lib/neo-con fusion is personified by Wolfowitz, as deputy Pentagon leader, architect of and apologist for imperial theft and US corporate patronage associated with the illegal Iraq War (Bond, 2006). They were cheered by the "Israel firsters" such as Irving Kristol, Norman Podhoretz, and William Kristol among many others in the neo-cons camp advocating "Pre-emptive" strikes (particularly against countries like Iran) and similar suggestions advanced by the "Program for the New American Century." Invariably, the implementation of all of these policy components --the accumulation strategy and process relies heavily on the military power and military Keynesianism which in turn feeds the Military Industrial Complex and creates massive indebtedness. Are there policy makers who do not see the consequences of militarism and imperialism abroad and the social imperialism inside? Few are willing to defend over \$9 trillion in national debt, other than to acknowledge it as a necessary evil that needs to be addressed. Ignoring it has become a norm and even when it reaches \$14 trillion or more in 2013, it will continue to be too "abstract" to understand by the masses.

CONCLUSION

Thomas Jefferson viewed public debt as one of the greatest dangers to political and economic "independence." Today, as the national debt mounts, the contemporary statesmen for the most part not only have ignored the danger it poses, but they are also continuing to add on to it. Though public debt is as old as institution of polity itself, it was argued in this paper that contemporary causes of indebtedness are to be found in globalization, accumulation drives, imperialism and social imperialism. Globalization as imperialism for the sake of capital accumulation, involves militarism as the protector of globe-trotting corporations. Accumulation of capital on a global scale is an endeavor on the part of the international capitalist class which, in a solid alliance, preserves its hegemony with an armada goaded by the hegemonic ideology undergirded by Social Darwinism. Domestically, Social Imperialism is adopted to meet the need of domestic control in the services global accumulation supported by imperialism. The intensity of accumulation drive determines the degree of social imperialism in the imperialist zones. Today, social imperialism relies not on the provision of social services, but on fear as a control mechanism. Fear of terrorism, fear of job insecurity, fear of domestic violence, fear of gang violence and fear of the unknown are to subdue people and force their resignation to the status quo and the surrender of their rights to the agents of control (Stern, 2006). In New York City, in 2005, a teacher asked her sixth-grade students to draw the images that they most associate with the United States. Well over half offered military scenes (Stern, 2006:169). A 2004 analysis of data by the US Census reports that 60 million Americans now live on less than \$7 per day. Twenty-five million Americans now depend on emergency food aid. Wages have remained stagnant since 1972 and for too many Americans, the litany of violence, punishment and suffering seems unending, and the American Dream is now a uniquely Made-in-America Nightmare. (William Shanley 2007). This is at a time when corporate welfare programs outweigh spending for low-income programs by more than three to one: \$167 billion to \$51.7 billion (Center on Budget and Policy Priorities, FY 95 figures).

Democracy as a right and as a privilege comes with responsibility of preserving it, and not realizing its vulnerabilities can lead to disaster. In other words democracy demands involvement in the political process and social activism. Its commodification signals a change of direction toward its demise. And any display of patriotism in this regard inadvertently serves the interest of the dominant and internationalized capital.

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