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# Marxism and US foreign policy

Stokes, D and Maher, DJ

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<b>Authors</b>	Stokes, D and Maher, DJ
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**Doug Stokes and David Maher. Revised 8 February 2013**

**Marxism and US foreign policy**

**Introduction**

During the previous decade, with the terrorist attacks on 9/11 coupled with the increased militarization of US foreign policy and the invasions and occupations of both Afghanistan and Iraq, analysts and students of IR have increasingly sought to employ critical International Relations (IR) theories that can interrogate not just the dominant discourses and social constructions of the discipline, but also the political and economic aspects of the social world itself. At the same time, neo-liberal globalization increasingly exacerbated concentrations of global wealth, with the richest 2 per cent of the world's people owning more than half of global household wealth. The bottom half of three billion people own barely 1 per cent. The UN Food and Agriculture Organization has shown that by the time you finish reading this sentence, a child will have died of hunger (a child dies every 5 seconds).<sup>1</sup> They conclude that twenty four *billion* dollars are needed to save five million children from starvation every year and yet the US-led war and occupation in Iraq has cost in excess of three *trillion* dollars, which is a 'conservative' estimate according to Joseph Stiglitz, former Chief Economist of the World Bank (Stiglitz & Bilmes, 2008, 2010).<sup>2</sup> This alone gives a clear indication of social priorities. Moving from a global to a national scale, wealth and power is still deeply concentrated with U.S. households in the top 20 percent of the income distribution earning more than 80 percent of the nation's wealth.

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<sup>1</sup> United Nations, 'Press Conference by United Nations Special Rapporteur on Right to Food. 26 October, 2007. [http://www.un.org/News/briefings/docs/2007/071026\\_Ziegler.doc.htm](http://www.un.org/News/briefings/docs/2007/071026_Ziegler.doc.htm)

<sup>2</sup> In 2010, Stiglitz & Blimes further argued that this three trillion dollar price tag is likely to be an underestimation. Online. Available at: <http://www.washingtonpost.com/wp-dyn/content/article/2010/09/03/AR2010090302200.html>

According to Marxist theorists, these concentrations of wealth and power are an inevitable result of capitalism, an economic system in which a minority own and control the means of production and the great majority are forced to sell their labour power in order to survive. The purpose of this chapter is not to provide a 'Marxism 101' introduction to Marxist theory *per se*. This has been done in numerous books. Rather, this chapter seeks to show how Marxism is being used to understand the role of the US within global politics and the international political economy. As the key capitalist power within the global economy, the American state has been crucial in underwriting and supporting the expansion of capitalism as a mode of production across the globe throughout the post-war period. This support has ranged from economic reforms that have sought to maintain an 'open-door' global economy conducive for global business interests to strategic interventions to overthrow governments that are or have been considered hostile to either capitalist social relations or US political hegemony within the post-war order. Today, America's power and the way it is used has become a crucial concern of IR, with a 'long war' declared against nebulous enemies and potential hegemonic transition to China in a more multipolar world. This concern with the exercise of American power is best illustrated with the return of the concept of 'American Empire' across a broad range of theoretical and political sentiment.

Crucially, the world that we have described above did not form itself, but was in fact created through human actions and choices, as well as wider structural processes of historical transformation. As students of IR and US foreign policy we must thus ask: how did we arrive at a point in human history whereby the richest people on the planet, who often in turn come from the richest families, earn more in an hour than the poorest people earn in a lifetime? What can Marxism tell us about current trends in world politics and, as the world's dominant state, how can we analyze the role that US foreign policy has played in the construction and defense of global capitalism?

## **Imperialism**

Traditional Marxist approaches to US power are rooted within competing theories of imperialism. Imperialism itself can be defined as the policy process of extending a nation's authority through territorial acquisition (for example, the British Empire) or by the establishment of economic and political dominance over other nations and it can and often does take two forms. The first is a more formal type of imperialism that involves overt conquest, territorial control, direct military rule and so on. The second type is a more informal form of imperialism that often involves more indirect means of control through, for example, economic dominance through the imposition of 'free trade' regimes whereby trade arrangements are imposed on weaker countries by the imperial powers where they are strong (and thus guaranteeing economic preponderance) while ignoring these principles in areas where they are weak. A contemporary example would be the use of tariff barriers by rich nations to support domestic markets such as farming, while insisting on 'free trade' regimes for the poorer nations. In this way, surplus extraction occurs through a global market mechanism with no necessary need to use more formal types of imperialism such as military conquest.<sup>3</sup> In both types of imperialism, then, the ends remain the same: the extraction of surplus value, profits and raw materials from subordinate regions, while the means may differ.

Importantly, within the Marxist tradition, imperialism is intimately bound up with the historical internationalization of capitalism as a mode of production across the globe. That is, as capitalism as a mode of economic organization has historically extended beyond the rich and powerful nations, powerful states imposed their economic interests on other non-capitalist regions and thereby incorporated them within the capitalist global economy that they

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<sup>3</sup> For the classic article on this distinction see Gallagher, J and Robinson, R (1953) 'The Imperialism of Free Trade' *The Economic History Review*, VI:1 <http://www.mtholyoke.edu/acad/intrel/ipe/gallagher.htm>

effectively controlled. One only has to briefly examine the history of European colonialism to see uneven development and the legacy of this process, not least of which are continued post-imperial conflicts rooted in the arbitrary 'stitching' of cultures, tribes and faiths together.

However, while there are agreements within Marxism about these common features of imperialism, there are quite strong divergences over the motivations for imperial expansion, what imperialism means for the international system in terms of war and peace and more importantly for this chapter, the role that the state and interstate relations play within contemporary forms of global imperialism. The two key differences are heavily rooted in the early Marxist debates between two contending theories of imperialism. The first is Lenin's inter-imperial rivalry thesis (IIR) that posits the inevitability of rivalry and conflict within International Politics as a result of the expansion of rival imperialisms. The second is Kautsky's Ultra-imperialism thesis (UI) that posits the possibility of peaceful cooperation between imperial powers. We now outline these different theories and how they feed in to contemporary Marxist debates on US foreign policy.

### **Lenin: Inter-Imperial Rivalry**

Turning to Lenin's IIR thesis, he argued that the processes of political and military domination of the world by the great powers were a logical outcome of the steady internationalization of those same state's economic interests. That is, as capitalism developed, those states that had the lead in this process, namely the European great powers, had also expanded their economic interests abroad to encompass other territories and countries. Given the tight integration between the state and business elites, it was logical that the military power of the state would be used to defend its economic interests as well.

For Lenin's thesis, the most important part of this process was less the fact of overseas capitalist expansion, but what this meant for interstate relations between the capitalist powers. For Lenin, as these states (and their political alliances) expanded their imperial interests abroad, an inevitable rivalry would increase as they jockey for power and raw materials throughout the world.

As Lenin makes clear, businesses and capital will naturally seek to expand beyond the home state's borders as they grow larger and this process is driven by the fact that capital needs productive outlets in overseas markets and tends towards monopolisation (smaller firms get swallowed up by bigger firms) while national markets are not big enough to soak up the products produced. Overseas markets also provide new outlets for goods as well. However, as powerful nations carve up the globe in their economic and political interests, there is the ever present threat of interstate war as states' interests collide. As such, according to the IIR theory, there is zero-sum logic to the internationalization of capitalism whereby processes of imperial expansion always threaten war as imperialist powers' interests are threatened by other great powers jockeying for political and economic hegemony. In many ways, Lenin's IIR thesis is similar to Realist analyses of IR, except that realists tend not to unpack how the 'national interest' is derived and of course in the Marxist case, rivalry is rooted within the expansive logic of capitalism, not the logic of anarchy.

In applying the IIR thesis to present day US foreign policy, the thesis received a massive fillip with the US invasion and occupation of Iraq, with many commentators using the concept to understand the motivations of the US war drive in the Middle East. After all, here is a region that has long been subject to Western imperialism and possesses an abundance of one of the most important raw resources in the world: oil.

Foster captures this argument well when he argues that 'intercapitalist rivalry remains the hub of the imperialist wheel ... In the present period of global hegemonic imperialism the United States is geared above all to expanding its imperial power to whatever extent possible and subordinating the rest of the capitalist world to its interests'.<sup>4</sup> By extension, contemporary US imperialism is seen as the result of the unified interest of the predominant sectors of US business, which need to ensure and manipulate export markets for both goods and capital. Accordingly, business interests are thus seen as essentially controlling the American state with military competition between competing powers an extension of international economic competition, which is in itself driven by the expansionist nature of capitalism.

As we have seen above, then, inherent in the IIR thesis, as well as more recent analyses of American foreign policy is often an instrumentalist theory of the state. Simply stated, instrumentalist accounts argue that the state is a mere 'instrument' in hands of national elites. As Miliband, one of the chief proponents of state instrumentalism argued, 'the ruling class of a capitalist society is that class which owns and controls the means of production and which is able, by virtue of the economic power thus conferred upon it, to use the state as its instrument for the domination of society' (Miliband 1969: 13).<sup>5</sup> This theorization of the American state (and by extension, US foreign policy) tends to reduce American decision making down to the economic interests of the American capitalist class, with the American state's primary function one of ensuring the necessary conditions for profit maximization for US corporations throughout the globe. Inherent within this theory of the American state is an economic reductionism whereby the political and strategic logics of US statecraft are subordinated to the economic interests of American capital with the state the central organizational conduit of this process. The projection of American power is thus seen as little more than

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<sup>4</sup> Foster, J. (2003) 'The New Age of Imperialism', *Monthly Review*, 55:3, p.13.

<sup>5</sup> Miliband, R. (1969) *The State in Capitalist Society*, New York: Basic Books, p.23.

the extension of an iron fist for corporate interests (we will critique this position later in the chapter).

### **Kautsky: Ultra-imperialism and the liberal post-war order**

Counter posed to Lenin's stark portrait of interstate relations stands the ideas of Lenin's contemporary Karl Kautsky who coined a rival theory of imperialism termed 'ultra-imperialism'. Unlike Lenin, Kautsky posited the potentiality for the powerful capitalist nations to develop common-interests in exploiting the globe and for their respective capitalists to prefer collaboration and spheres of influence rather than the costly and often deeply destabilizing phenomenon of war. Rather than reading interstate relations and the internationalization of capitalism as a zero-sum game, Kautsky instead argued that businesses and states will instead prefer to fashion forms of co-operation and coordination between themselves. That is, states can cooperate within a common framework and, crudely put, agree to carve up the globe between them. This form of coordination and collaboration can be seen in the operation of US foreign policy in the post-war period when the US emerged as the key hegemonic power within the global economy.

How did the US emerge as the key power within the capitalist global economy? The US role as the lead state within world capitalism became increasingly clear with the decline of Britain, the custodian of global free trade prior to the end of the Second World War. US power in the post-War period was underwritten by its unrivalled military, political and economic power. At the end of the War, for example, the US had almost half of the world's manufacturing capacity, the majority of its food supply and nearly all of its capital reserves. In this new role, post-war US foreign policy was formulated around a dual strategy: the maintenance and defence of an economically liberal international system conducive for business expansion



coupled with a global geo-strategy of containing social forces considered inimical to capitalist social relations.

Importantly, in this endeavor the American state acted not just in its own interests but also in the interests of other core powers that relied upon the American state to contain the spread of world communism, rollback third world nationalism and to underwrite the institutions and enforce the rules of the liberal international order. This liberal order was concretized through the American dominated Bretton Woods institutions that helped fashion the post-war order, the internationalization of American capital and business models (primarily through American foreign direct investment) and US dominance of the strategic frameworks of other core powers, for example NATO for Europe and the Japan-US Security pact.

US hegemony was thus positive-sum, and the post-war order was a form of ultra-imperialism, in so far as US power benefited other core capitalist powers and provided a coordination mechanism where common interests were represented by the US state. Importantly, this positive-sum generic reproductive function for global capitalism has formed a key component of American power and has undergirded its hegemony in the post-war international system. In a sense, then, American power has played a system-maintaining role that has benefited a number of core states as well as America itself, and US foreign policy in the post-war system has acted to expand and defend capitalism throughout the globe while attempting to (largely successfully) pacify geo-political rivalries between the great powers through providing sets of collective security and economic goods for the capitalist system as a whole. As such, we can describe the post-war order that the US was instrumental in creating as a form of ultra-imperialism.

## **US Cold War policy**

US foreign policy during the Cold War era thus sought a number of key objectives. First, it sought to build up and integrate a revitalized Western Europe and Japan-centered East Asia under its hegemony. Although this process benefited these regions, this was not a multilateral order as many liberal theorists claim, but was in fact what could be called a 'conditional multilateralism' insofar as multilateral forms of order were acceptable to US planners as long as it suited Washington's interests. Importantly, US hegemony relied upon consent as well as force, and its forms of highly successful economic success based on innovative Fordist type industrialization methods provided attractive models for other capitalist states keen to recover from the devastation of the Second World War. In this way, the American state emerged as the key power within the capitalist global economy, a hegemony that it continues to enjoy today.

Second, the American state sought to play a system maintaining role whereby US power was used to defend the liberal international order against threats from anti-systemic movements and it thus benefited other core capitalist states and allowed them to both prosper economically through the buildup of economic interdependence but also strategically as US power was used to both prevent Soviet expansion within Western Europe, but also to police the developing world. This policing function was driven by a desire to not only contain Soviet inspired insurgencies but also forms of independent nationalism that threatened crucial raw resources (for example, oil) or that posed symbolic threats to US global hegemony by challenging the US-led global system. To this end, the US sought to install and support authoritarian forms of rule as developing world democracies were often seen as potentially dangerous as there always existed the threat that these democracies may prove to be too responsive to majoritarian interests that invariably favored wealth redistribution given the often extreme concentrations of wealth found in the developing world. The anti-democratic nature of US policy in the

developing world ran throughout the Cold War period as the various US-backed anti-democracy coups in Iran (1953), Guatemala (1954), Indonesia (1965), Chile (1973), Nicaragua (1984) amply illustrate. In short, the ends were used to justify the means.

The human cost of this support was enormous with all but two hundred thousand of the twenty million people that died in wars between 1945 and 1990 dying in the Third World. Furthermore, US interventions during the Cold War were frequently justified with anti-communist rhetoric but they often extended far beyond real or imagined Soviet aligned communists to encompass a wide range of progressive social forces that sought social change in their often highly class stratified societies. In a profound sense, then, US foreign policy during the Cold War was often closely aligned with a wide range of reactionary and anti-progressive regimes that by the nature of the US's global interests formed a containment mechanism for the prevention of social change in the developing world.

Crucially, Marxist scholars seek to broaden the understanding of Cold War US foreign policy from a simple narrative of Soviet containment by also incorporating the economic interests of the US as a key capitalist power, as well as the strategic and political logics of US statecraft. US foreign policy is thus embedded within wider structures that are not exhausted by a realist logic of strategy or a liberal strategy of what we might call a 'muted idealism' during the Cold War.

We now turn to develop the ways in which contemporary Marxist theorists have taken these theories of imperialism and applied them to US foreign policy after 9/11. In particular, we are interested in examining the work of the 'Global Capitalist' school.

## **Globalization and post-Cold War US foreign policy**

The concept of globalization has come to increased prominence, especially after the end of the Cold War when the capitalist world was freed from the constraints placed upon it by the existence of the Soviet Union. The global economy became truly integrated under western hegemony, with neo-liberal shock therapy applied throughout the third world and also the former Soviet Union, a hitherto tightly closed sector of the global economy. Capital literally 'went global' and the barriers to the circulation of international finance were torn down with a wave of privatizations and neo-liberal reforms. Alongside the emergence of an increasingly globally integrated economy, there emerged a broad range of academic sociological and political works that analyzed these trends under globalization.

In particular, there has emerged a key body of work known under the broad rubric of global capitalist approaches. These new approaches argued that accompanying the rise of an increasingly globally integrated economy, new global state and class structures were also forming. This new form of global empire increasingly bypassed or transformed state structures. Perhaps the best known of these approaches was the surprise best seller *Empire* by Hardt and Negri. However, the most cogent work within Marxism has been developed by William Robinson who examines transnational trends under globalization and the ways in which the transnationalization of capital is impacting upon forms of contemporary US foreign policy. For Robinson, the new global economy has allowed an increasingly transnationally based capital to reorganize production relations that supersede national economies and national states with national systems of production becoming fragmented and integrated into a new global configuration.

Robinson contends that we are witnessing the increased transnationalization of the state as capital becomes increasingly transnationalized. Transnationally orientated states provide the national infrastructure that is

necessary for economic activity, adopt policies that assure internal economic stability and maintain social order through both coercive and consensual means. In short, transformed nation states adopt and implement neo-liberal reform which is the primary policy modality of capitalist globalization which in turn integrates them as circuits within the transnational circulation of capital. The Transnational state (TNS) thus encompasses both the transformed and transnationally orientated neo-liberal nation-states *and* supranational economic and political forums such as the IMF, World Bank and WTO. While these forums do not, as yet, have any centralized institutional form reminiscent of a formal state, they nonetheless provide a coordinating mechanism necessary for global capital accumulation. Concomitant to the rise of this TNS is the emergence of a new global class: the Transnational Capitalist Class (TCC). This new global class is directly related to the changes in the global organization of production and the rise of a nascent TNS. Importantly, this reconfiguration of global class relations changes the dynamics of competition between nation-states with the potential for inter-imperialist rivalry and war shifting from competing nation-states to new global oligarchies competing within a transnational environment (Robinson 2004).

Robinson's portrait of contemporary globalization has very clear implications for the analysis of contemporary imperialism and US foreign policy, insofar as traditional analyses tend to foreground the nationally bounded nature of the imperial project (as we saw above). However, Robinson argues that to analyze the US as an imperialist power misses a crucial nuance in contemporary capitalist globalization. That is, rather than competing nation-states, or even competing blocs (for example East Asian versus European capital), the age of transnational capital now means that there is a diffusion of capitalist interests so that one can no longer territorialize interests within a bounded nation-state. For example, investors from the US have billions of

dollars invested in Asia; economic dynamism in this region, thus argues Robinson, 'benefits those investors as much as it benefits local elites'.<sup>6</sup>

He therefore rejects outright a theory of world order as characterized by the potential for inter-imperial rivalry between competing capitalist states. Importantly, this does not mean that leading capitalist states are no longer central to the maintenance of global capitalism, and Robinson contends that the US state continues to be the global hegemonic capitalist state. However, and this is the crucial point, for Robinson the US state now acts as the central agent of *transnational* capital, rather than a nationally grounded US ruling class, with US military preponderance acting not to secure *American* hegemony vis-à-vis potential geopolitical rivals, but for the interests of transnational capital as a whole. Robinson is unequivocal about this, and he argues that 'US military conquest does not result in the creation of exclusive zones for the conquerors exploitation ... but the colonization and recolonization of the vanquished for the new global capitalism and its agents ... the US military apparatus is the ministry of war in the cabinet of an increasingly globally integrated ruling class'.<sup>7</sup>

In relation to US intervention in oil rich regions, this *transnational*, positive-sum organizational role played by the American state is most clear. Rather than interpreting US intervention in, for example, Iraq as a case of US imperialism using its military might to exclude oil corporations from competing nations (for example, France or Russia) it is far more accurate to view US intervention as part of the generic role that the US state has long performed in 'stabilizing' market-orientated political economies throughout the Middle East (ME) for the generic interests of global capitalism as a whole. That is, by underwriting transnationally-orientated political economies in the ME, the US has deliberately guaranteed security of oil supply to *world*

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<sup>6</sup> Robinson, R. (2004) *A Theory of Global Capitalism: Production, Class and State in a Transnational World*, Maryland: John Hopkins University Press, p.131.

<sup>7</sup> Robinson, R. (2004) *A Theory of Global Capitalism: Production, Class and State in a Transnational World*, Maryland: John Hopkins University Press, p.140.

markets. As such, US intervention in these regions (of which the Iraq invasion is a paradigmatic example) has benefited other core capitalist states as much as it has the US.

The destination of oil from the Persian Gulf illustrates this point most clearly: although the US enjoys strategic primacy in the ME, it only draws ten percent of its total oil supplies from the region. The remainder is shipped primarily to Japan, Europe and increasingly China. IIR theorists that analyze the intervention in Iraq in stark terms thus presume that other capitalist states do not have an equally important interest in the US working to guarantee both regional political economies open to capital penetration and state structures able to discipline social forces (be they nationalist, Islamist or explicitly anti-capitalist) that may threaten the security of oil supplies to *world* markets.

In sum, Robinson builds upon Kautsky's argument by arguing that we have thus entered an era of decentred and deterritorialized transnational Empire that escapes the territorialized logic of earlier imperialisms and the geopolitical competition inherent within inter-imperial rivalry theories. Needless to say, his conclusions also have major ramifications for the analysis of US foreign policy and American intervention within the global economy. We now turn to consider some problems with the 'global capitalist' approach and its application to US foreign policy.

### **The Dual Logic of US Foreign policy**

Along with other 'global capitalist' theorists, Robinson provides a much-needed corrective to the overly statist and instrumentalist accounts of traditional historical materialist analyses of US empire. The more economically reductionist Marxism has always been weak on the development of the liberal order in the post-war system and on the role that geo-politics and strategy have played in US foreign policy (while realist and

liberal approaches to US foreign policy have in turn been weak on the political economy of US foreign policy or have ignored the often destructive and destabilizing role that Western economic intervention has played).

However, while his work serves as a useful corrective to these approaches, we wish to argue that Robinson also fails to capture the full logic of contemporary US foreign policy, and in particular underplays the role that the US performs in securing interests for *the US state* as the lead actor within the globalised capitalist environment.

When arguing that the US intervenes in order to pursue a *transnational* capitalist agenda on behalf of the TCC, Robinson fails to take full account of the overwhelming preponderance that *territorialized* US capital has within the global market system. This nationalized dominance of the global economy is most clearly seen in the geographical location of key members of the so-called TCC. For example, in 2011 the US headquartered 133 of the world's 500 largest businesses. The second largest was Japan with 68, followed by China with 61.<sup>8</sup> In the same year, the US was the largest recipient of Foreign Direct Investment (FDI) with \$227 billion of inward FDI. This figure is almost double the amount of inward FDI in China, which, with \$124 billion, is the second highest recipient of FDI. In terms of FDI outflows, the US is also the largest source of FDI. In 2011, the US reached a record high of \$397 billion of outward FDI, more than triple the amount when compared to Japan, the next highest with \$114 billion.<sup>9</sup> Of the world's richest members of the so-called TCC, the majority are American, with eleven of the world's twenty richest people holding US citizenship, followed by two citizens with French citizenship.

More significantly, the interests of *American* capital are secured throughout the structures and institutions of transnational capitalism, primarily by

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<sup>8</sup> Data available from CNN Money. Online. Available at: <http://money.cnn.com/magazines/fortune/global500/2011/index.html>

<sup>9</sup> UNCTAD, *World Investment Report 2012*, p. 4, pp. 169-170.



ensuring that the preponderance of US market power can be exercised in the absence of any significant restraints. As just one example, US foreign policy has been instrumental in implementing neo-liberalism throughout Latin America, both through its multilateral agreements with states in the region, and its domination of the international institutions that are implementing neo-liberal reforms. The Free Trade of the Americas Act (FTAA) built upon the North American Free Trade Agreement (NAFTA) passed by the US Congress, Canada and Mexico in 1993. NAFTA sought to integrate the economies of North America, Canada and Mexico into a single trading bloc, to dismantle trade barriers, to privatize state-owned industries and to loosen the restrictions on the movement of capital. Like NAFTA, the FTAA seeks to link the economies of all the Latin American nations (with the exception of Cuba) into a single trade bloc. The FTAA is based on a corporate-led model of development that will accelerate post-Cold War neo-liberal reforms of national economies throughout Latin America, and at first glance can be viewed as a classic case of the US acting according to Robinson's logic (i.e., to affect a transnational outcome beneficial to the TCC).

However, the FTAA contains a number of provisions that have strengthened the power of specifically *American* capital, due to the removal of all barriers restraining the sheer preponderance of US market power within the transnational system (informal imperialism).

At the time of its implementation in 2000, the gross domestic product (GDP) of North, Central and South America was \$11,000 billion. However, the US's share of this GDP was 75.7 percent, with Brazil, which was the next largest, at 6.7 percent, Canada's was 5.3 percent while Mexico's was 3.9 percent. The other thirty one nations comprised only 8.4 percent. Per capita GDP in the US was \$30,600 in 2000 while the lowest, Haiti, stood with just \$460.<sup>10</sup> The FTAA and other neo-liberal variants will serve to deepen the already overwhelming power of US capital by dismantling national trade barriers to

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<sup>10</sup> *Le Monde Diplomatique*, April 2001.

allow easier penetration by US capital and US-subsidized exports, the increase in the privatization (and consequent foreign ownership) of state owned industries, and the more rigorous enforcement of the intellectual property rights of (mainly) US corporations.<sup>11</sup> What we have, then, is, subject to resistances, the US state acting to secure a transnational outcome which will benefit a number of capitals and the transnationally orientated elites of the respective nations. But due to both the US preponderance of market power and capital internationalization, this will *primarily* benefit US corporations and capitalists.

This dynamic is brought home most clearly within another context: the US Congress's ratification of the WTO treaty. The WTO is one of the key institutions of global economic governance and is seen by the global capitalist theorists as one of the principal institutional forms for the emergent TNS. However, Section 301 of the US's trade act allows the US Congress to unilaterally reject WTO provisions that may threaten key US industries or economic interests. As Gowan has argued, the US has participated in international economic regimes when it suits its economic interests but US acceptance of WTO jurisdiction is 'conditional upon the WTO's being "fair" to US interests. And all who follow international trade policy know that the word "fair" in this context means serving and defending US economic interests' (Gowan 2004: 477).<sup>12</sup> Washington thus reserves the right to reject the very free-trade regimes prevailing within the global economy if these regimes threaten key economic interests. This forms of rules-based rejectionism runs counter to the transnationalized theories examined above.

If we extend this argument to US military capacity, it is inaccurate to view the US military apparatus primarily as 'the ministry of war in the cabinet of

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<sup>11</sup> Katz, C (2002) 'Free Trade Area of the Americas. NAFTA Marches South, NACLA: Report on the Americas, 4, February, pp.27-31.

<sup>12</sup> Gowan, P. (2004) 'Contemporary Intra-Core Relations and World Systems Theory', *Journal of World System Research*, X: 2, <http://jwsr.ucr.edu/archive/vol10/number2/pdf/jwsr-v10n2gs-gowan.pdf> p. 447.

an increasingly globally integrated ruling class'. Instead, continued US global military hegemony, whereby it is *the* dominant military power within capitalist globalization (for example, see Barack Obama's quote below), helps to determine the nature and structures of contemporary globalization, including the interactions between different capitals, *so as to reinforce US primacy vis-à-vis potential rivals*. If we take US intervention in the Middle East for example, given the often fragile social basis of a number of the regimes in the region, US power insulates them from both external and internal forms of opposition that further entrenches the importance of US strategic primacy for the prevailing global oil order. Thus, not only have core powers come to rely on US strategic primacy to police the internal conditions necessary to maintain conditions conducive for capitalist social relations, and through which their energy needs are met, the American state also gets to set the agenda as to what constitutes the 'threat' as well as the responses. This threat definition-brigading-pacification equation thus places the US at the heart of strategic policing for the global economy, consolidates the reliance of others on its power projection capacity *as well* as allowing the American state to 'brigade' core powers through mediating the relations between these threats (be they state threats such as a rising China or anti-systemic threats such as Al Qaeda type terrorists) and states reliant on US primacy.

Importantly, this is not a reversion to the instrumentalist accounts of inter-imperial rivalry theorists that we examined above, whereby the US state acts solely to benefit concrete national capitalist interests. Indeed, such theorizations overlook what Nicos Poulantzas called the 'relative autonomy' of the state. By this, Poulantzas meant that the state enjoys a degree of autonomy from the sectoral interests of its capitalist class, as the state's primary function is to reproduce the necessary conditions for the *long-term* functioning of a given society. Given the global interests of the American state that we have sketched above, the structural requirements of the capitalist system as a whole are not necessarily synonymous with the

interests of sections of the American capitalist class. The state's structural role is thus one of long-term *political* management which could well be compromised by catering too strongly to the interests of a particular sector of capital (for example, oil transnationals). As such, Poulantzas' theory of the relative autonomy of the state serves as a useful corrective to overly instrumentalist accounts that denude the state of any political autonomy free from the immediate requirements of the economic interests of capital (Poulantzas 1978). It also serves as a corrective to analysts that frequently paint a straw-man Marxism that is economically reductionist.

We need to internationalize this notion when examining the American state and this 'relative autonomy' is especially clear given that it has acted as the key hegemonic state within world capitalism throughout the post-war period, and as such has served to underwrite and police the liberal international order within which it enjoys primacy. In so doing, it has developed specific capacities to act for global capitalism as a whole (and not just for American capitalism), and has served both national *and* transnational interests. This 'dual logic' of US foreign policy has seen Washington playing a systems-maintaining role, which has been widely accepted because the US state has not just been pursuing its own interests at the expense of all its rivals (Lenin's IIR) but has also helped maintain the conditions for the expansion of capital as a system (Kautsky's ultraimperialism).

### **Marxist IR theory and the presidency of Barack Obama: Highlighting continuity in US foreign policy**

The election of the US's first African American president sparked a flurry of opinion that a significant shift in the country's foreign policy was upon us. In contrast to George W. Bush's more bellicose and unilateral approach to international relations, Obama spoke about greater global cooperation to meet the USA's challenges and presented his presidential candidacy on a peaceful platform underpinned by diplomacy. This included advocating the

cessation of US military involvement in Iraq and his willingness to open dialogue with Iran to address the country's nuclear program (Obama 2007).

There has not, however, been a reality of change in US foreign policy since Obama took office; on the contrary, there is striking continuity. A case in point is the US' continued military engagement across the globe. While Obama has withdrawn the USA's military from Iraq (excluding troops remaining as part of the massive US Embassy in Baghdad), he has nonetheless intensified the US' military campaigns in Afghanistan and, importantly, Pakistan, conflating these zones into a single theatre of operations (termed 'Af-Pak'). Another notable development is the US' increased use of Unmanned Aerial Vehicles (UAVs, more commonly known as drones), most pertinently in Pakistan and Yemen. During Obama's first year in office, US drones killed more people than during the entire presidency of George W. Bush. In 2010 alone, there were 111 drone strikes in Pakistan, compared to nine strikes between 2004 and 2007 (see Lynch 2012).

Further scrutiny reveals other militaristic aspects of Obama's presidency. For example, despite appearing to take a back-seat, the USA has been at the forefront of NATO's military intervention in Libya, which began in early April 2011. By May 5, 2011, the USA had committed 8507 military personnel, 153 aircraft, flown 2000 sorties, expended 228 cruise missiles and dropped 455 bombs. This involvement was markedly higher than the next active coalition force, the UK, which, by May 5, 2011, had committed 1300 personnel, 28 aircraft, flown 1300 sorties, expended 18 cruise missiles and dropped 140 bombs.<sup>13</sup> Global military involvement thus continues to be a central tenet of US foreign policy. As the president correctly stated during his successful campaign for a second presidential term: 'Our military spending has gone up

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<sup>13</sup> Data available from The Guardian. Online (2011). Available at: <http://www.guardian.co.uk/news/datablog/2011/may/22/nato-libya-data-journalism-operations-country#data>

every single year that I've been in office', adding that 'we spend more on our military than the next 10 countries combined'.<sup>14</sup>

There are other continuities which can be elucidated between the Bush and Obama presidencies. For example, despite Obama's declared desire to close down the controversial detention center at Guantánamo Bay, it hitherto remains open. And despite earlier indications that diplomacy was central to US policy towards Tehran, under Obama's presidency the US has instead successfully implemented a series of tough economic sanctions against Iran. In this light, the 'dovish' Obama appears distinctly more 'hawkish' than his credentials had previously suggested.

It is important to understand, however, that these continuities extend beyond the Bush-Obama paradigm. For instance, the long tradition in US foreign policy of supporting the overthrow of democratically elected, left-wing governments – which, as noted above, are often deemed inimical to US political and economic interests – is also being upheld by the Obama administration. Despite initial comments opposing a military coup in 2009 which deposed Honduras' leftist, democratically elected president, Manuel Zelaya, Obama has refused to suspend US financial assistance to the Honduran military and police. In fact, rather than oppose the coup, Obama increased requested military aid to Honduras in 2012.<sup>15</sup> With clear historical parallels, since the coup Honduras' security forces have been responsible for a surge in human rights violations, directed against opponents of the coup, journalists, small farmers and other citizens.

Furthermore, despite the global economic crisis, Obama has not significantly recalibrated the US' neo-liberal economic model. As noted above, this model, pushed by the USA both at home and abroad, is the preferred economic

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<sup>14</sup> Obama, quoted in The Huffington Post (2012). Online. Available at: [http://www.huffingtonpost.com/2012/10/23/military-spending-obama-romney\\_n\\_2006266.html](http://www.huffingtonpost.com/2012/10/23/military-spending-obama-romney_n_2006266.html)

<sup>15</sup> See, for example, The Guardian. Online. Available at: <http://www.guardian.co.uk/commentisfree/cifamerica/2012/mar/22/democrats-press-obama-us-complicity-honduras>

system of business elites, the main benefactors of neo-liberal economics. One explanation for the persistence of neo-liberal economics is that the Obama administration and business elites have maintained close and influential links. This observation is made clear when one considers how Obama has funded his presidential election campaigns. As Ali (2010: 32) points out, during the 2008 campaign, Obama not only raised much more money than his Republican rival, Senator John McCain, but the majority of Obama's campaign funds were realized through large corporate donations. 'The donors', writes Ali (ibid.), 'included some of Wall Street's finest, investing in their futures: Goldman Sachs (\$994,795), Microsoft (\$833,617), UBS AG (\$543,219), Lehman Brothers, in 2007 (\$318,467), JP Morgan Chase (\$695,132). There were also substantial donations from Time-Warner, IBM, Morgan Stanley, General Electric, Exxon, Google; three top-drawer law firms coughed up \$15.8 million'.

In light of the above developments, the hope for a discernible change in US foreign policy under Obama's presidency has thus atrophied, however sincere one believes the president's desire for change to be. Indeed, Obama's time in office aptly illustrates the structural confines of a well-entrenched political system, including the ambivalence of public opinion, opposition in the US Congress to meaningful change and a powerful and influential system of corporate lobbying. The constraints of the international political system further compound the restrictions faced by president Obama. The argument we conclude with, then, is that the continuity of US foreign policy after the election of Barack Obama, a US president widely presumed to be progressive in his outlook, has further highlighted the utility of critical IR theories in understanding US foreign policy.

## **Conclusion**

In conclusion, this chapter has highlighted contending theories of imperialism which is the primary concept utilized by Marxism to analyze the global

economy and interstate relations. We have attempted to draw out the salient points in relation to US foreign policy. Throughout the post-war order and up to the present day there are of course numerous debates among US foreign policy elites as to the precise strategies that should be pursued. However, there seems to be very little divergence over the objectives of US foreign policy: the continuation of American political, military and economic hegemony which has (so far) been fairly beneficial to *all* core capitalist states. We are thus at a strange place in the world, whereby we have a dual logic at work in US foreign policy: on the one hand, it must manage its own national interests while correlating these with the interests of its subordinate, but nonetheless *potential* rivals. This in turn places the US in a bind in many ways. As new security threats emerge and economic competition intensifies so does the temptation to use its primacy to pursue a more narrow or unilateral order. This in turn threatens the very order that the US was instrumental in creating and that has served its own interests well. However, if it chooses to work within the rules-based order there is the ever present threat that others may attempt to constrain American power, or what Kagan has termed a Gulliver complex whereby the sleeping giant is constrained by a thousand multilateral strings (Kagan 2003).

At present, many analysts are analyzing the US as an Empire in decline and it does seem that the quagmire in Iraq, whereby a ragtag insurgency effectively blunted the multi-billion dollar US military machine, and the ongoing problems in the Anglo-Saxon hyper-liberal financial markets do point to the decline of American power. Is the US in decline? Many critical theorists celebrate a potential hegemonic transition to China. Whether this is in fact desirable is outside the purview of this chapter. However, if US decline is inevitable, what would a post-American world look like: what comes after America?



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<http://www.gwu.edu/~nsarchiv/>. The National Security Archive provides a great deal of declassified documentation relating to US foreign and security policy, and its role throughout the world.

<http://www.democracynow.org/> *Democracy Now!* is a national, daily, independent, award-winning news program hosted by journalists Amy Goodman and Juan Gonzalez. Pioneering the largest public media collaboration in the U.S.

<http://www.hrw.org/> , <http://www.amnesty.org>. Human Rights Watch and Amnesty International are at the forefront of documenting the end results of

various states security policies. Their reports can provide excellent empirical material for research purposes.

<http://monthlyreview.org/> . The Monthly Review has a good selection of critical analyses from a Marxist perspective. .

<http://www.zmag.org/ZNET.htm>. ZNet has a good selection of critical approaches.

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