

The Political Forum

*A review of social and political trends and events
impacting the world's financial markets*

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THEY SAID IT

McWorld is in competition with forces of global break-down, national dissolution, and centrifugal corruption.

Jihad Vs. McWorld, The Atlantic, March 1992

A MAN, A PLAN, PREEMPTION. Well, am I important or what? Late last August, in a piece entitled “‘The Vision Thing’ Is Back,” I said that President Bush needed to “formulate a coherent vision of America’s role in the post cold war period and explain it to the world.”

I argued that the fact that America’s political leaders have been unable, since the fall of the Berlin Wall, to produce such a formulation is one reason that the United States seems to be losing friends internationally. I noted that in the absence of a presidential declaration defining the nation’s foreign policy principles and aspirations, America’s enemies have merrily taken up the challenge to produce one on their own, one that impugns its motives, its desires, its intentions, and its charity, and accuses it of imperialism, bullyism, racism, and whatever other ‘ism’ happens to be popular at the time.

And voila, last week, the administration responded to my complaint with a 23-page document, with Bush’s name on it, entitled, “The National Security Strategy of the United States of America.” Notably, this document did not confine itself solely to the narrow issue of “national security,” but offered, just as I requested, “a coherent vision of America’s role in the post cold war period.” My personal, autographed copy, along with a thank you note from George for having put the idea in the suggestion box, has not yet arrived. But then, the U.S. postal service isn’t what it used to be. In fact, it probably never has been what is used to be.

In any case, America now has a formal policy of “preemption,” and will pursue this policy for the next several years at least, and my guess is for the next several decades. And this policy will be implemented within a framework of a host of policies that are designed to “protect basic human rights worldwide” and guarantee political and economic freedom.”

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The “preemption” policy is supported by the contention that the threat against the United States has changed markedly in recent years as a result of new technologies coming into the hands of our enemies. Bush put it this way.

“Enemies in the past needed great armies and great industrial capabilities to endanger America. Now, shadowy networks of individuals can bring great chaos and suffering to our shores for less than it costs to purchase a single tank. Terrorists are organized to penetrate open societies and to turn the power of modern technologies against us.”

Those portions of the strategy dealing with America’s commitment to supporting and promoting human rights and various freedoms around the world are presented as an American “duty,” thrust upon it as a result of its “unprecedented – and unequaled – strength and influence in the world,” and “sustained by faith in the principles of liberty, and the value of a free society.” Sounding a bit like one of our heroes, F.A. Hayek, Bush put it this way.

“The lessons of history are clear: market economies, not command-and-control economies with the heavy hand of government, are the best way to promote prosperity and reduce poverty. Policies that further strengthen market incentives and market institutions are relevant to all economies — industrialized countries, emerging markets, and the developing world.”

The aim of this grand “strategy,” Bush said, “is to help make the world not just safer but better.” Its “clear” goals are: “political and economic freedom, peaceful relations with other states, and respect for human dignity.” And finally, the entire package, he says, is based on “a distinctly American internationalism that reflects the union of our values and our national interests.”

This latter reference to America’s “national interests,” is, I think, important because it reflects a strong pragmatic argument in favor of the policy. Bush maintains that America is now “threatened less by conquering states” than by “failing ones.” Thus, it is in America’s pragmatic interests to have as few “failed” states as possible.

He offers numerous specific examples of this “practical” side of the strategy. Relative to Africa, for example, Bush says that “promise and opportunity sit side by side with disease, war, and desperate poverty. This threatens both a core value of the United States -- preserving human dignity -- and our strategic priority -- combating global terror.” In sum, he says, “American interests and American principles, therefore, lead in the same direction.”

Now, let me say right off that I applaud both the strategy and the way it is presented. Bush is, I believe, correct when he says that America cannot afford to wait to be attacked in this age when new technologies have provided small groups of fanatics with the capability of killing tens of thousands of people. I also agree that America has a moral obligation, as well as many practical reasons, to protect basic human rights worldwide and guarantee political and economic freedom.

In short, I think this is a good beginning to the task of getting a handle on the 21st century. My guess is that this outline will form the blueprint around which all foreign policy discussions will

be held in the foreseeable future. Some foreign policy gurus will present arguments against the proposal and its underlying assumptions. Others will offer modifications. Some, like me, will applaud. Soon, however, this discussion will cease and the debate will shift to the more important task of measuring future proposed and actual American foreign policy initiatives against this blueprint, slowly, over the years, adding texture to it and filling in details.

This is how “containment” worked. The debate over whether “containment” was the correct policy ceased shortly after it was presented in the July 1947 issue of *Foreign Affairs* magazine, signed by “X,” who was only later revealed to be the State Department’s chief of policy planning, George Kennan. Quickly, the discussion moved to whether this or that action was the proper way to “contain” the spread of communism. Notable topics for this discussion included wars in Korea and Viet Nam.

Very soon then, if I am right about this, the debate will shift from *whether* any nation should be “preempted” by the United States to *which* nations should be and under what circumstances. This shift is already beginning. With the Streisand brigade, made up of Babs herself, Teddy, Big Al and a few other similar foreign policy nitwits looking on in horror, the debate in Congress has started to move away from whether Bush has a right to move against Iraq to how, when and under what circumstances such an attack should occur.

The discussion over Bush’s argument that the United States should adopt a broadly internationalist approach by aggressively promoting the benefits of democracy, freedom and equality worldwide will be more muted, at least at first. Few people disagree with the basic theory, and many are strongly in support of the idea.

This later group includes a large contingent of liberal internationalists and those who used to be called neo-conservatives, who believe, as a leading Democratic neo-con, Ben Wattenberg, once put it, many years ago, "It's pretty clear what the global community needs: probably a top cop, but surely a powerful global organizer. Somebody's got to do it. We're the only ones who can . . . the idea of spreading democratic and American values around the world is visionary. It's the right thing to do." These people are joined by many big players in the American business community who like the practical argument that Bush made, namely that free societies generally produce more and better consumers.

Yet, despite this rather broad support, this is an area that is likely to be extremely controversial in the long run, for, in my opinion, if it is not carried out in a humble, studied, and measured way it could easily turn into something that might be viewed by most of the world as “aggressive meddling.” And this could cause tremendous harm to all of the things that Bush says he hopes to accomplish with his strategy, including the principle goal of limiting the number of nations that harbor such deep resentments against America that they become a home for terrorist operations.

We’ll see. In the meantime, I strongly recommend that anyone interested in international affairs read the entire strategy document, which can be found at www.whitehouse.org. Among other things, it contains some interesting insights into how America’s relations with Russia, China and India have been profoundly affected by September 11. I don’t have the space to quote or even summarize these passages here, but the following segment on India will provide an example.

“Differences remain, including over the development of India’s nuclear and missile programs, and the pace of India’s economic reforms. But while in the past these concerns may have dominated our thinking about India, today we start with a view of India as a growing world power with which we have common strategic interests.”

THE GATHERING ISLAMIC STORM. Like a lot of Americans, I have read a great deal about militant Islam in the past year. I even have a beautiful old Koran that my daughter bought me, which I regularly reference to see if the murderous garbage that spews from the mouths of these radicals and their “clerics” really does have a basis in their “scripture.”

And I am also a regular visitor to the website (www.memri.org) of my friend Yigal Carmon’s organization, the Middle East Media Research Institute, which provides English translations of Arabic, Farsi, and Hebrew media, as well as “original analysis of political, ideological, intellectual, social, cultural, and religious trends in the Middle East.”

One of the things I have learned from my readings is to take militant Islam seriously. This may sound like an unnecessary declaration in light of the September 11 attacks. But even with that horrible event as background, it is still easy to dismiss some of the braggadocio that runs like a current through terrorist rhetoric.

I thought about this last Saturday while reading a *Washington Post* story about the six men from the Buffalo area who the government says constitute a terrorist cell. Part of the evidence against them is an e-mail that one of them, a Mukhtare Al-Bakri, sent from Bahrain to his co-defendants, which said that the “next meal will be very big, no one will be able to withstand it.”

Is this inflated rhetoric, or a serious prophecy? A little over a year ago I would have said the former. Today I have little doubt that serious planning is going on among militant Islamists to accomplish the latter, and I worry that the phrase “no one will be able to withstand it” refers to the use of some sort of chemical, nuclear or biological attack. I hope I am wrong.

But that’s an easy one. Let’s look instead at one of the most common and easily dismissed of the inflammatory flourishes favored by militant Islamists, namely the one that claims that their cause is certain of victory because the West is in an advanced state of social and cultural rot.

Examples of this claim abound, but I’ll use one from an article in the September 9 issue of this newsletter entitled “Bloody Islam.” This came from a translation, provided by MEMRI, of an article in an on-line Arabic magazine. In one passage from this piece, the author states:

“When the enemy launches operations of colonialism and destruction, we find that a few [of the Muslims] refrain from entering the battlefield claiming that the elements of the collapse of Western civilization are proliferating [in any event]. Their conclusion is indeed true, but the way in which it is presented is misleading, and it is aimed at removing responsibility [to fight the infidels] from the Muslim, with the claim that Allah has already promised to take care of the infidels’ annihilation”

As I said earlier, it is easy to dismiss this kind of talk. Indeed, I have written on numerous occasions that it is not the West that is threatened with extinction, but the Islam of the militant community, with its isolating, racist hatreds; its murderous leaders; its aversion to modern commerce; its disdain for democratic processes; its medieval opposition to the emancipation of women; and its feral views concerning human compassion and the nature of justice.

Yet . . . Yet! This talk of a decaying West isn't unique to these Islamists, or to the Koran. It is a matter of faith for many Western intellectuals who have studied the rhythmic decline and fall of great civilizations. One can read about the inevitability of decay in Ecclesiastes. One can read about the origins of decay in Western societies in such diverse sources as Polybius and Tocqueville. Space doesn't permit a comprehensive exploration of this topic, but take a look at the following from the dust jacket of a book entitled *Holding Up A Mirror, How Civilizations Decline*, by Anne Glyn-Jones. I first wrote about this book in August 1999, in an article entitled "In The End, The Sensate Society Commits Suicide."

"History shows that Empires rise as they turn away from religion to science, but then decline because without an underpinning of religious belief, the morality that holds society together inevitably falls away. In the West today the triumph of materialist philosophies has transformed living standards, but declining moral standards are destroying what has been achieved, as crime escalates and personal relationships (especially between the sexes) turn sour, encompassing the inevitable spread of sexually transmitted diseases and the breakdown of families. In a secular society the arts turn increasingly to sensationalism, until violence and explicit sex coalesce in the amalgam of pornography. Despair and disgust ride rampant, and *in a final gesture of evolutionary futility, communities cease even to reproduce themselves* [emphasis added]."

So let us, for the sake of argument, take seriously the Islamists' claim that the West is doomed. And instead of applying it to America, let's apply it to Europe, which is a significant part of "Western civilization" and which is arguably much further down the road to terminal decay than America. And let's do it in the context of another quote from the above-mentioned *Washington Post* piece. That quote refers to some audiotapes that were found in the apartments of the men.

"One of [the] tapes contains a lecture by a radical Islamic cleric who calls for 'fighting the West and invading Europe and America with Islam.'"

Now one could argue about whether Islam has actually "invaded" the United States. Yes, there are an estimated 5 million Muslims here. But there are probably some 280 million or so individuals who aren't Muslims. And since September 11, virtually the entire U.S. law enforcement community, federal, state and local, as well as much of the general public, has been mobilized to watch the Muslim community like a hawk. And let no one doubt, that should offenses occur, justice would be swift and harsh within the limits of the law.

This is not the case with Europe. Europe has a significantly larger portion of Muslims in its population and, by all accounts, has many more problems with this community than does America. And while this is a subjective observation on my part, I believe that most European nations lack the heart, the political will, and the sense of national pride and purpose that it would

take to confront their Muslim communities should it become necessary to protect their grossly materialistic welfare states, which have *ceased even to reproduce themselves*, from demands by the vibrant, young, aggressive religiously-driven forces of militant Islam for increased political, economic and yes, cultural power.

I say this is a subjective observation. But evidence is not hard to find that many in Europe are deeply troubled by this prospect, although candid public discussions of the full extent of the problem are rare because participants are invariably met with ferocious accusations from the politically correct European intellectual community of suffering from *Islamophobia*.

Space does not permit an exploration of this phenomenon, but for those who are interested in exploring it a bit I would recommend a two part series that appeared in *The Weekly Standard* in early July, entitled, "Alla Mode, France's Islam Problem," written by Christopher Caldwell. It is a long fascinating piece that concludes as follows:

"Viewed in this light, September 11 has made quite clear why certain of France's Muslims, or at least their political representatives, have refused to be drawn into the existing French order: They believe they have the stronger hand. Against "Allah, the Compassionate, the Merciful," France proposes to pit its own national ethic, which has now shrunk into little more than tolerance. Let's not laugh at France for this -- it is merely the country where a problem belonging to the West in general has become most clearly visible. It is in France that, under the pressure of Islam, the secular state is most in danger of being exposed as contentless, and therefore not worth fighting for -- and where fears should be arising that, if secularism cannot be fought for as religions are fought for, it will not last long."

JIHAD VS. McWORLD. The headline to the left was the title of a March 1992 article in *The Atlantic* by Benjamin R. Barber. I wanted to incorporate some of the ideas from this article in the piece I wrote two weeks ago that discussed the war against militant Islam, as well as the piece that appears above. But it didn't fit conveniently into either, although I believe that it adds some perspective to both. So I decided to do it as a separate item this week.

This *Atlantic* article was written 10 years ago, well before terrorism was on the radar screen of virtually anyone examining the future of global affairs. So when Barber uses the term Jihad, he was not referring to a bloody holy war of terrorism by militant Islam against the West, but a more general idea of a battle of cultures, peoples, and tribes against the organizing forces of what has come to be known in recent years as "globalization."

The central point of Barber's excellently presented scenario is that both of these forces are "threatening to democracy." My purpose for citing the article is not to call attention to this particular threat, although I don't dispute its importance. I cite the article because I think it provides a useful context within which to try to understand the elemental forces that are driving today's war between militant Islam and those who are seeking a world that is safe, accommodating, and comfortable for global commerce.

With this in mind, I offer the following excerpts, with the full knowledge that I cannot do justice to this excellent and relatively long piece with these few quotes. So I heartily recommend that you read the entire article at: www.theatlantic.com/politics/foreign/barberf.htm

Just beyond the horizon of current events lie two possible political futures -- both bleak, neither democratic. The first is a retribalization of large swaths of humankind by war and bloodshed: a threatened Lebanonization of national states in which culture is pitted against culture, people against people, tribe against tribe -- a Jihad in the name of a hundred narrowly conceived faiths against every kind of interdependence, every kind of artificial social cooperation and civic mutuality. The second is being borne in on us by the onrush of economic and ecological forces that demand integration and uniformity and that mesmerize the world with fast music, fast computers, and fast food -- with MTV, Macintosh, and McDonald's, pressing nations into one commercially homogenous global network: one McWorld tied together by technology, ecology, communications, and commerce. The planet is falling precipitantly apart AND coming reluctantly together at the very same moment.

These two tendencies are sometimes visible in the same countries at the same instant: thus Yugoslavia, clamoring just recently to join the New Europe, is exploding into fragments; India is trying to live up to its reputation as the world's largest integral democracy while powerful new fundamentalist parties like the Hindu nationalist Bharatiya Janata Party, along with nationalist assassins, are imperiling its hard-won unity. States are breaking up or joining up: the Soviet Union has disappeared almost overnight, its parts forming new unions with one another or with like-minded nationalities in neighboring states. The old interwar national state based on territory and political sovereignty looks to be a mere transitional development. The tendencies of what I am here calling the forces of Jihad and the forces of McWorld operate with equal strength in opposite directions, the one driven by parochial hatreds, the other by universalizing markets, the one re-creating ancient subnational and ethnic borders from within, the other making national borders porous from without. . . .

Four imperatives make up the dynamic of McWorld . . . The Market Imperative . . . has also reinforced the quest for international peace and stability, requisites of an efficient international economy . . . The Resource Imperative . . . leave[s] even the wealthiest societies ever more resource-dependent and many other nations in permanently desperate straits . . . The Information Imperative . . . asks for, even compels, open societies . . . The Ecological Imperative . . . has meant not only greater awareness but also greater inequality, as modernized nations try to slam the door behind them, saying to developing nations, "The world cannot afford your modernization; ours has wrung it dry!" . . . Each of the four imperatives just cited is transnational, transideological, and transcultural. . . .

McWorld is in competition with forces of global breakdown, national dissolution, and centrifugal corruption. These forces, working in the opposite direction, are the essence of what I call Jihad.

OPEC, the World Bank, the United Nations, the International Red Cross, the multinational corporation. . .there are scores of institutions that reflect globalization. But they often appear as ineffective reactors to the worlds real actors: national states and, to an ever greater degree, subnational factions in permanent rebellion against uniformity and integration -- even the kind represented by universal law and justice. The headlines feature these players regularly: they are cultures, not countries; parts, not wholes; sects, not religions; rebellious factions and dissenting minorities at war not just with globalism but with the traditional nation-state . . .

A powerful irony is at work here. Nationalism was once a force of integration and unification, a movement aimed at bringing together disparate clans, tribes, and cultural fragments under new, assimilationist flags . . . This mania has left the post-Cold War world smoldering with hot wars; the international scene is little more unified than it was at the end of the Great War . . . The aim of many of these small-scale wars is to redraw boundaries, to implode states and resecure parochial identities: to escape McWorld's dully insistent imperatives. The mood is that of Jihad: war not as an instrument of policy but as an emblem of identity, an expression of community, and end in itself.

END NOTE: IMF/World Bank: Regular readers know that I regard the IMF and the World Bank as the Dr. Kevorikians of the global financial community. There is little if any support for this view in Washington, where large, intrusive bureaucracies are beloved by both Democrats and Republicans alike, regardless of what they do, or don't do as the case may be. So it was with some interest that I discovered a possible soul mate in Paul O'Neill following the unruly meeting of the two organizations in Washington last week.

The Treasury Secretary was discussing proposed changes in what these "masters of the financial universe" refer to as the "sovereign bankruptcy concept," which has something to do with the size of the rake off taken by big banks when U.S. taxpayers bail everyone out when the loans, that never had a prayer of being paid back in the first place, finally go bad. Anyway, according to the Sunday *Washington Post*, O'Neill said that the goal of these proposals is to change the system "so that human beings not be the victims of our ignorance or stupidity," which I take to imply that absent some change human beings will continue to be plagued by the ignorance and stupidity of the IMF and World Bank.

By the way, in the same speech, O'Neill admonished critics not to "throw stones at our best efforts to fix this system—throw ideas." So, not being one to ignore the call of a senior U.S. government official, I will offer the following "idea." "Paul, if you want to end the terrible consequences of 'ignorance and stupidity' at the IMF and World Bank, close them down."

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