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## Economic Imperialism and the One Word You Can't Say

### *Beggar's Banquet in Ukraine*

by JASON HIRTHLER

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One reason the United States and the West aren't particularly interested in defending their neoliberal policies is because by the time their effects are felt in a particular location, the world and its five-minute attention span has already moved on. Once the glamour of violence simmers down, the appetites of the bourgeoisie are sated. Whether Russia or Thailand or Korea or Chile or the Ukraine, the vicious coup d'état or knowingly-savage policy prescriptions that unlock a country's economy quickly fade into obscurity. Into that fathomless swamp of imperial crimes. The media moves on to fresher fires, newer conflicts, and more entertaining waves of repression. Falling wages, rising prices, mass privatization, and vanishing tariffs are not newsworthy—at least when 'newsworthy' is defined by clicks and eyeballs. Who wants to listen to a cranky union vet opine on the evils of capitalist accumulation? Or see some reporter on RT or Al Jazeera wander through decaying communities in some far-flung hamlet? Not when you can listen to Wolf Blitzer's riveting blow-by-blow of the latest artificial uprising on 'The Situation Room'.

Obama will stand on the rocky outcroppings of the European continent and declare that the West is once again rushing monies to collapsed economies in the East. He will say we want to restore them to the prosperity that is everyone's birthright. He will forgive their failed flirtation with communism or their misguided fling with social democracy. He will welcome profligates back into the warm fold of capitalist extremism. So long as they concede everything and defend nothing. Satisfied with this paean to its bourgeoisie principles, the mainstream press, and its hordes of local lackeys and white collar readers, will banish the story from their minds.

This is an important reason the "Washington Consensus" continues to prevail. Its coverage in the media removes the onus of actually having to produce results. The veneer of well-intentioned intervention is enough. The conditions of Western loans are accepted without a murmur of protest among the intelligentsia. Only occasionally does someone like former Ukrainian President Viktor Yanukovich emerge and turn a cold shoulder to the West. But his kind is always quickly disciplined, undermined, overthrown, cast out, or assassinated. His replacement will welcome the neglected IMF or World Bank back through the gates. Negotiations will begin anew. Even so, people within the institutional community from which the policies emerge are increasingly questioning the lack of results.

### **The Palace Dissidents**

In the wake of the mortgage collapse, commodity crisis, and global meltdown of the last five years, cracks have begun to show in the once impenetrable armor of extreme capitalism. Even if the mainstream has moved on, some of the underlying assumptions of neoliberal strategies are being questioned from within. Last year, the United Nations Conference on Trade and Development (UNCTAD) delivered a fairly comprehensive [report](#) that unequivocally recommends a shift to demand-driven growth strategies. In parallel, the European Network on Debt and Development (EURODAD) delivered its own [critique](#) of the International Monetary Fund (IMF). Rather than emphasize the tomfoolery of neoliberal economic prescriptions, it pointed out—in blandly technocratic prose—that despite claims to the contrary, the IMF has been expanding the conditions attached to its lending facilities. Perhaps aware of growing criticism of its blinkered supply-side ideology, it has doubled down on its commitment to extreme capitalism and appended ever more histrionic demands to its loans. It wants to extract as much wealth as possible in as little time as possible before the whole house of cards comes crashing down. This, of course, is typical human behavior, ramifying one lie with another—anything but confess or reconsider one's prejudices.

The EURODAD likewise notes that the IMF has played the conventional public relations game (Walter Lippmann is smiling in his crypt), generating a lot of press around a few condition-free facilities, which are mere window dressing. Behind the scenes, it is moving rapidly in the opposite direction, extracting more concessions with each cash payment (EURODAD suggest there are 19.5 conditions per loan, up from 14 in 2003-2004). This naturally has the effect of generating unsustainable debt loads on so-called developing nations, to the chagrin of peasants and pleasure of capitalists.

### **Hidden Assumptions**

Yet these reports issued from within the chambers of international institutions contain an alarmingly errant assumption: *that Western institutions actually want to generate society-wide economic growth*. Taking this as a given, these reports critique the manner in which that development is achieved. Like candidate Obama’s nuanced criticism of the Iraq War as the “wrong war” but not inherently “immoral”, the assumption is that Western motives are sound but its methods are flawed. The received belief is that we all share the same noble aspirations, be they the pursuit and eradication of terrorists or creating the conditions for a generalization of wealth.

What’s missing is the lens of class. Geographer David Harvey has noted in *A Brief History of Neoliberalism* that the growth of extremist neoliberal economics was rooted not simply in the stagflation of the early 1970s—informed to no inconsiderable degree by the Vietnam War and the OPEC oil crisis—but in its devastating effect on dividends and profits of the one percent. The share of assets held by capitalism’s top tier collapsed in the early seventies. As concluded by Gerard Dumenil and Dominique Levy (research directors from the French Centre National de la Recherche Scientifique), neoliberalism was a premeditated response, a deliberate attempt to achieve, in Harvey’s paraphrase, “the restoration of class power.”

But class warfare is a forbidden term in our conflict-free lexicon. As Harvey says, “...it is one of the primary fictions of neoliberalism that class is a fictional category that exists only in the imagination of socialists and crypto-communists.” How swiftly the dissenting voice that foolishly utters “class warfare” is put down by the hysterical chorus of voices—from FOX to CNN to MSNBC—that desperately want to [maintain](#) the chimera that all of us, from the judicious executive in the cloud-swathed corner suite to the immigrant juggling spatulas in the corner kitchen, are decent, well-meaning individuals who would never dream of launching an

economic jihad against their fellow patriot. Anyone who says as much is a dangerous berserker fit for an NSA inquiry. Simply beyond the pale.

So while it is encouraging to see critiques of standard prescriptions emerging from international or at least continental institutions, they crucially mistake the purpose of the organizations they serve. To commit the lese majesty of namedropping Marxist nomenclature inside the imperial compound would result in a pink slip and severance check. Likewise, even on the so-called progressive left, few would characterize corporate responsibility divisions or NGOs as tools designed to pacify repressed populations. Is there any real doubt the questions raised by these reports will be buried in committee?

Martin Kirk, a campaigner against inequality via tax havens, [recently](#) put the word “development” in single quotation marks while decrying the intensified efforts of Western finance to acquire arable land in developing economies. This is a step forward to question the euphemisms that international lending organizations like the IMF and World Bank employ. Is ‘economic development’ really what it claims to be? Is broad-based social prosperity truly the goal of hollowed-out Bretton Woods institutions? Is ‘growth’ really the altruistic notion it seems to be, or is it rather a verbal narcotic designed to deflect attention from the violence that it indifferently visits on populations and the planet they inhabit? Is a ‘lending facility’ the benign banking designation it so harmlessly appears to be, or is it a term that masks financial incarceration? Challenging the institutional assumptions at the level of language is a necessary root-level activity.

### **Preparing the Beggar’s Banquet**

Meanwhile, nothing changes. The Ukraine is being prepped, like an ingénue for a beggar’s ball, for mass immiseration. How frankly the [terms](#) are discussed in the mainstream, such is the pervasive nature of groupthink (a tautology, perhaps). The blandly discussed facts tumble forth—a 50 percent increase in gas prices, property tax hikes, reduced pensions (pensioners not consulted), and efforts to hollow out regulatory bodies. Welcome to liberalization.

Have a glance at this [image](#), of a hushed exchange between the central puppets in the Ukrainian debacle. First, the PM of the ‘people’s putsch’, Arseny Yatseniuk or, affectionately, “Yats” to coup director Victoria Nuland, Secretary of State John Kerry’s hitman, or hitperson, as it were. Yats has that sallow and obsequious look of your garden variety technocrat, the milquetoast face of financial fascism. His partner in theft is Central Bank Governor Stepan Kubiv, a husky bulldog fit to guard the gates of the treasury from the rabble. And there you have it, the recipe for

dispossession. Bribe the leaders. Fill their coffers with cash. Promise them protection. Embrace them in public. Then watch them slip the keys to the kingdom into your pocket. For every Nestor Kirchner there are a dozen Yatseniuks. And for every Kirchner that succeeds there's a dead Allende, an isolated Castro, an exiled Aristide, or a hanged Hussein. (Kirchner threw the IMF out of a bankrupt Argentina and helped rebuild the Argentine economy.)

In the end, the mainstream media will issue its heady proclamations and go elsewhere once the smoke clears. The proles will be invited to witness their own liberation. The "tyranny of experts", as author William Easterly calls them, will introduce the articles of austerity. A few disgruntled IMF employees who believed they were helping cash-strapped populations will pen a few policy critiques. The press will ignore them because they don't take the necessary step; they don't mention class warfare. But until the fiery salvo of class is hurled across the bow of financial imperialism, the pageant of thieves will go rollicking on.