

## chapter seven

# The Many Meanings of Blood and Oil

### An Interview with Sara Burke

Sara Burke: Your four-fold exploration of the anti-war-on-Iraq movement's slogan—"No Blood For Oil"—seems to challenge the movement as a whole to bring its political actions into line with an economic analysis that rejects any capitalist attempts to implement the "No Blood For Oil" slogan? (If this is your intent—or not—can you elaborate?)

George Caffentzis: I agree with one side of your comment, i.e., the anti-war movement needs to inform its political action with a recognition of what is driving our war-desiring opponents. That means we in the antiwar movement will have to take our slogan, "No Blood for Oil," more seriously than merely as a nice sounding two second sound bite.

Do I reject any capitalist attempts to "implement" a world economy that would satisfy our "No Blood for Oil" demand? I'm not sure that "reject" is the right word here. I am simply saying that ideologists of globalization in the 1990s claimed that a "bloodless" capitalism was possible, if there was a world where economic competition could be liberated and the free flows of capital were instituted.

Such a neoliberal globalized capitalism would mean the end of war as the determination of economic life. They claimed that there was no need to spill blood to get oil.

But the crisis of neoliberalism beginning in 1997 has led to the Bush Administration's policies that show us that such a bloodless globalization is off the table now. It is not I or our movement that "rejects" this bloodless capitalist globalization. We simply point out that it simply does not seem to be able to exist.

SB: You seem to be arguing that a political-economic perspective (an individual's or group's interpretation of the "No Blood For Oil" slogan, for instance) acts as a "center of gravity" guiding its political action. Since the movement is extremely broad, what happens when factions find themselves in opposition with each other over the question of capitalism's ability to accommodate their objectives?

GC: Clearly, a movement like ours, especially after February 15, is broader and more diverse than even the antiglobalization movement that prepared the way for the coordinated international protests of that day. And surely there will be many different internal debates and strategies in our movement's future. I think that the question of whether capitalism can be "bloodless" will be discussed and the ultimate answer will not depend on the higher dialectical skill of one debater or the other. It will be shown pretty starkly by events driven by the current capitalist crisis.

Let me make reference to similar debates in the first period of the antiglobalization movement in the early 1990s. Some of us had an abolitionist line with respect to the World Bank and IMF, others thought that they could be reformed and used to end poverty, still others thought that these institutions HAD to be used. This debate went on over the course of five or so years until by the time of the Prague demonstrations in September of 2000, the movement had moved to a consensus: BREAK THE BANK and DUMP THE FUND. That consensus was the product of years of effort, on the one side, by the reformers to reform and the abolitionists to abolish the World Bank and IMF and, on the other, by the World Bank and IMF itself.

In the case of our current "bloody/bloodless" capitalism debate, I doubt that we will have the possibility of nearly a decade of debates, demonstrations and so on.

SB: How do you see the movement breaking down in terms of the four levels of the slogan? In other words, what groups or prominent individuals ideas are represented by each level?

GC: This is a difficult question, since it requires a knowledge of this worldwide movement that I do not have at the moment, and asks me to put the complex political positions of others in categories that they don't easily fit into. For example, does the ANSWER Coalition, which is made up of dozens of organizations, have an anti-capitalist, an anti-neoliberal, an anti-imperialist, and/or simply a pro-national self-determinism policy?

SB: On a different tack, let's look at your analysis of Level 2, ("No Blood For Privatization of Oil Resources"). In that part of your talk you argued that the Bush

administration is motivated to go to war with Iraq because it sees OPEC as a price-fixing monopoly capable of threatening the US economy. From this viewpoint, since Iraq is the weak link in OPEC, it seems to provide the most logical point to attack and either destroy OPEC or transform it into a neoliberal-friendly institution. But this analysis of oil, OPEC, and US power may only be how things appear on the surface.

GC: Surely one way of understanding a movement is to be clear as to what it is opposing. I thought that it was important for the movement to have a picture of the Bush Administration's and the US-UK oil industry's attitude to OPEC, the control of oil resources and of pricing and how Iraq fits in to this picture. But it is just that, a capitalist class picture that definitely accepts an exchange of "the blood (of thousands of Iraqi people)" for "(the neoliberalization of) oil."

Many in the antiwar movement recognize that what is motivating Bush and Co. goes beyond simply a desire to commit an armed robbery and to plunder the Iraqi government's oil reserves. I tried to describe this "extra" determination in terms that would be familiar to the readers of the financial press and US government reports. This might be "superficial" picture, but it is a useful one, since I think it is important to "respect your enemy," i.e., try to understand how s/he/it strategizes.

Is this neoliberal picture my way of understanding how the oil industry operates in a capitalist economy? No. That is why I included a brief "Theoretical Interlude" describing some basic concepts of a Marxist theory of the production of value in the oil industry. For I wanted to hint to the reader that there was another way of understanding where the value of oil and natural gas comes from beside that which the *Financial Times* or a neoclassical economics text book provides.

The most important political result of the Marxist theory is that the whole capitalist class world-wide is vitally interested in the doings of the world wide oil industry, since much of the value that is exploited from workers by all the non-oil-gas industries of the planet have it transferred to the accounts of the oil industry corporations (national or private). This collective capitalist interest is an long-term phenomenon and an inherent part of the way this system works. This interest of collective capital began long before OPEC and will continue long after, if OPEC collapses. The issue of transferred value is quite independent of the question, "Is OPEC really in monopoly control of the world price of oil?" But it often has been anxiously discussed among capitalists in the form of "monopoly" versus "free market" pricing. Their way of discussing it might be "superficial," but it still is an expression of a systemic reality.

I am not saying that everyone in the antiwar movement now has to take out Volume III of *Capital* in order to be effective militants. But I am saying that if the movement is going to be strong enough to include much of the oil-producing proletariat in the Middle East, the Americas and Asia, we will have to discuss the question of what would a non-capitalist oil industry look like and we will need a language to talk about it. So in preparation for that eventuality, some of us should try to begin the language training.

SB: There is an argument to be made that oil is in fact already globalized, already neoliberalized. This view says that the sharp rise in OPEC's "posted" oil prices in 1973 was actually an expression of the globalization process and that OPEC—although it might attempt to function as a price-fixing cartel—was unable even in the mid-70s to resist the overturning of its posted-price system by the emergence of spot-pricing, in which prices are determined by real competition between oil producing regions and units. By this view, US actions against Iraq take on an even more frightening tone than that of the world bully exercising its unilateral power. By this view, US hegemony is seen as already lost, and US actions are interpreted as not merely about oil, but about a much more desperate attempt to regain lost hegemony at any cost. Two questions follow from these thoughts: a) How do you answer this criticism of your characterization of OPEC and the forces motivating US actions against Iraq? b) Assume for the sake of argument that OPEC is in fact already globalized. How, in your opinion, would that affect the strategies that need to be adopted by the anti-war movement?

GC: It is important to distinguish between pricing and ownership. OPEC or no OPEC, the wide-spread nationalization of the world's oil reserves thirty years ago on the planet was an important structural change in the relations of oil-production. The privatization of the world's oil and gas reserves is a policy goal of the Bush Administration and its allied oil capitalists. In that sense the picture you painted is not accurate, the ownership of oil reserves was not globalized and neoliberalized in the early 1970s. The denationalization of the oil/gas stuff remains to be done at the beginning of the 21st century. It is the last and most bloody stage in neoliberal globalization's bloody march through the branches of industry.

There is a political aspect to this matter, of course. "OPEC" now is a word referring to the club of governmental owners of the largest part of the oil reserves on the planet. This in itself would not be problematic. After all, capitalists have made perfectly satisfactory quid pro quos with rentiers for centuries. The problem is that these rentiers are becoming less and less politically reliable from the US foreign policy

perspective. I need not repeat the increasingly problematic story (for the US government) which does not only involve the Arab governments in OPEC. The Iranian revolution, the rise of Chavez in Venezuela and the collapse of Suharto in Indonesia have been just as politically troubling as Islamic fundamentalism in Algeria and Saudi Arabia.

After all, capitalists are just as interested in where “their” money is going to as much as how much they have to pay for a basic commodity. That is why ownership is still important.

You, however, do not seem to be interested in this issue, your main concern is pricing. Does OPEC have monopoly control over the price of oil?

I was living in Nigeria in 1986 when the price of oil collapsed below \$10 a barrel. Certainly the Nigerians I spoke to then did not believe that their government, through OPEC, had control over the world price of oil. And if one charts the real and the nominal price of oil since the early 1980s, it does not have the character of a monopolized commodity. Its “real price” has not been continuously growing (on the contrary, up until recently it has been back to its real price in the early 1970s) Its nominal price has been extremely volatile. These facts are hardly evidence of OPEC’s absolute monopolistic pricing power.

However, my argument was not dependent on OPEC nations really forming an effective the “price fixing cartel.” It depended on the Bush administration’s portraying them in this way in order to pave the way for dividing them and weakening their resolve to protect their claim to the gift of nature below their territory.

Why are these issues concerning OPEC and ownership important for the antiwar movement? First, because we have to demand that the property of the Iraqi people—the oil reserves—not be stolen by a massive armed robbery. “Oil” might not be as important a part of the story as “blood,” but it is important for the Iraqi people. This “No Robbery” demand will be more relevant after an invasion than before.

Second, our movement’s rejection of the exchange of “blood for oil” poses many other questions of exchange that must be discussed and thought through with the people of Iraq and the other oil producing lands who have suffered for the wealth produced on the basis of the destruction of their health and lives for more than a century in many cases. For example, what are the proper reparations for such destruction?

The Bush Administration is laboring hard not to have these questions and demands be raised. Hoping, perhaps, that the bombs will not only kill people but questions and demands as well. But every time the slogan, "No Blood for Oil," is chanted they are evoked.

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