

chapter eight

From Stealing to Robbing

A Post-Script to “No Blood for Oil!”

After the great international day of protest on February 15, there was hope that these “No blood for Oil” protests (along with a clear division on the nation state level between the US and UK and France, China and Russia within the UN Security Council) would stop the drive to war. Unfortunately, though not surprisingly, this did not happen.

In order to understand the situation we are in it might be interesting to see the differences between the present invasion and the one perpetrated by the UK, France and Israel in late October and early November 1956 against Egypt. I will not go into the details concerning the latter invasion, but it “began” with Nasser’s nationalization of the Suez Canal. This meant the British and French Consortium that ran the canal was expropriated. After making formal protests, the British and French governments began to plan an invasion to physically take back the canal. They were preempted by the Israelis who were anxious about the growing power of Nasser’s form of Pan-Arab ideology. The Israeli Army invaded the Sinai Peninsula and Gaza (which was then under Egyptian control) on October 29 and within a few days thoroughly defeated the Egyptian defenders. Within a week Israeli troops were on the eastern bank of the canal.

The British and French forces followed with an invasion from the sea on Port Said on Nov. 6. They too rapidly destroyed the military opposition and were ready to take hold of the canal from Port Said (in the north of canal) to Suez (on the south end of the canal) in a few days.

Of course, there were tremendous protests in the streets of the Middle East, in the Third World (the Bandung Conference has taken place the year before) and in the socialist world.

It all is reminiscent of the present situation, of course. With this difference, Both the US and the USSR intervened barely a day after the UK/French assault. Eisenhower and Krushchev separately called the British, French and Israeli governments and made it clear that they would not allow this invasion to pass. The Soviets said that this invasion was the cause of war and were threatening to send 250,000 troops to Egypt while the US government threatened to cut the funding for all three countries (a threat which had a special resonance with the Israelis who were totally dependent on US aid).

No such intervention on a nation state level is possible now even though four of the most powerful economic and military states on the planet oppose the invasion and are members of the Security Council. It is hardly likely, for example, that the Russians will threaten to send in a quarter of a million troops into Iraq and none of these nations can threaten the economic fate of the US. Consequently, one is hardly likely to see the kind of institutional response to the invasion of Iraq that was seen almost fifty years ago with the invasion of Egypt. With the result that an invasion meant to destroy Nasser turned out to revitalize his power for more than a decade.

Therefore, it is only a supranational force that can have an impact powerful enough to stop the US/UK aggression against the Iraqi people. And that force is, like it or not, the worldwide antiwar movement. Our demonstrations are already beginning to have their impact on the battlefield which is Iraq given the fact that electricity is still on in Baghdad (and that means that water purification continues). But the victories are very fragile and they cannot be relied upon unless the movement continues protesting with an ever-increasing intensity and effectiveness. We must be prepared, however, for many surprises and rouses, especially now that the struggle against capitalist globalization is moving into a new terrain.

One of the most important aspects of this terrain is that the armed robbery aspect of the war is becoming as important as the mass murder aspect of the war. We have been concentrating our outrage (quite properly) on the immediate and long-term civilian casualties of the war, but now the fate of Iraqi oil will have to receive fuller attention from the antiwar movement. Our argument has been that this is a war for oil on many levels. This has been verified by the behavior of the US troops whose first mission was to occupy the oil fields of southern Iraq and to begin a similar effort in the north, even before the major military sites have been confronted. The US/UK

spokespeople proudly claim that their troops now control more than 50% of the Iraqi oil production facilities as if to say they have already won the war. But these spokespeople know that the problem with the control of oil is that it is useless unless it can be sold on the world market.

The question of the legality of US/UK control of Iraqi oil is now coming to haunt these two powerful states. For in the days of the early oil nationalizations one of the most potent tactics they used was to seize oil that was nationalized in foreign ports. In response to the Mossedegh nationalization of British interests in Iran in 1951:

London now gradually organized a total boycott of Iranian oil. Armed with the judgement of the International Court, the British authorities systematically seized all cargoes of Iranian crude on arrival at their ports of destination, in Europe and Japan, under the pretext that they legally belonged to the Anglo-Iranian Oil Company, and that the Iranian government had no right to sell them. The infant National Iranian Oil Company did manage to deliver a few thousand tons of crude, but one by one, all the ports were closed to its oil, stigmatized as "red" by Britain, to whose side the United States soon rallied (Terzian, Pierre, *Opec: The Inside Story*. London: Zed Books, 1985, p. 13)

If tomorrow the US or UK attempt to sell Iraqi oil to which they have no right, they are open to the same treatment they meted out to Iran a half century ago. Individual countries might seize oil that was illegal expropriated by the US and UK and keep the funds of purchase in escrow or pay it to the legitimate government of Iraq, which at the moment is Saddam Hussein's.

The major problem that the UN Security Council's lack of support for the invasion caused the US and UK is not on a military level, but on an economic one. For without the UN giving the US/UK the right to intervene, these countries have no right to expropriate (i.e., rob) Iraqi oil. Indeed, the first conflict around the Iraq invasion in the Security Council was not about the military aspect of the war, but around the question of oil and who has the right to it. The US is claiming the right to market the oil and use the proceeds to purchase "humanitarian aid" for the Iraqi people. But others on the Security Council object, especially since the northern Iraqi oil fields are still pumping oil into Ceyhan in Turkey. However, the oil traders are not willing to trade Iraqi oil until its legal status is resolved. Is this oil the US's, the UN's or the Iraqi government's property?

This is a battle that the antiwar movement is intervening on in order to be sure that the US and UK governments do not give legitimacy to their armed robbery. The world-

wide boycott of US owned goods which is now growing includes the Iraqi oil that US claims.

Indeed, this invasion marks a major change in the form of political economy of the last two decades called neoliberal globalization. Its *modus operandi* has recently changed from stealing to robbing. Stealing and robbing differ, of course. Stealing is unlawfully appropriating another's property *secretly or surreptitiously* while robbing is unlawfully appropriating another's property *by using or threatening to use force and violence*. The first phase of globalization was the stealing phase. The combined effect of the IMF, the World Bank, the WTO and the structural adjustment programs imposed under the guise of the debt crisis erased the reparations the colonial powers owed their former colonies and put the latter into the debtor's position. A tremendous quantity of value was surreptitiously taken from the Third World countries in the period between 1982 and 2001. This was stealing, but in a grand, trillion dollar way.

The Iraq invasion opens up the phase of the globalization of robbery. In other words, instead of simply using the sophisticated tools of high finance to appropriate wealth illegally, we are entering a phase when the US and its allies are using the sophisticated tools of the modern military to appropriate wealth illegally.

In such circumstances there is a need for a "fence" to market the ill-gotten gains. It looks like the UN is destined to be that fence, and Kofi Annan is perfectly happy to have to UN play such a "vital" role. The Russian response to Annan's attempt to use the UN as a fence for robbed Iraqi oil is instructive. Although the Russians of 2003 are much more tamed than their ancestors in 1956, they still suspect that the US can be stopped from *profiting* from their robbery even though they cannot (or are unwilling to) stop the robbery itself.

This suspicion should tell us that this is a weak spot for the US and the UK governments, since both nations are deeply involved in the energy markets of the planet. They need to be concerned about the legitimacy of these markets. Their attempt to sell Iraqi oil might very well undermine it, if they do not manage to get legitimacy for the sale from the UN *and* if our worldwide movement refuses to yield to it. For example, some dockworkers in Europe are refusing to load military cargo for the Iraq campaign. These very same dockworkers will most probably refuse to make port facilities available for off loading the robbed Iraqi oil as part of the worldwide boycott to refuse to financially reward massive armed robbery. Similarly, legal and political pressure from the boycott movement will be put on the oil companies on a national level to force them to refuse to deal in this contraband oil.

We might ask “why did the US and the UK go from the stealing phase of capitalism to its robbing phase?” This is an important question in the newly developing discipline of global criminology. Certainly, it is often very hard to answer the question—“why did s/he stop simply stealing and turned to armed robbery?”—on an individual level in every-day criminology. The answer is not simple on a global one either, but I believe that its outline can be found in the four levels of the “No Blood for Oil!” piece (see above).

In a nutshell, the invasion of Iraq is a desperate act because capitalism’s old sly and surreptitious stealing ways no longer work. The crisis of the older form was clearly seen in the Russian default of 1998 where the secret and surreptitious form of expropriation was countered by a belligerent refusal on the nation state level to pay and by the Argentinean crisis of payments that came on in an equally secret and surreptitious way and was met by an open mass refusal to pay. The IMF’s and World Bank’s veiled financial threats to exile countries from credit sources was increasingly not working, since the impoverishment of their people increased to a level that their social reproductive systems were collapsing. *If stealing can no longer work to appropriate another’s wealth, is robbery far behind?*

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