

FOREIGN POLICY

Neocons, Naxalites,
and National Demise

by Joseph E. Fallon

The neoconservatives have promoted an aggressive U.S. foreign policy that they term “benevolent global hegemony.” In other words, they demand, to paraphrase Pat Buchanan, “an empire, not a republic.”

What makes the American Empire an unprecedented historical phenomenon—the one instance in which the creed of American Exceptionalism holds true—is that the U.S. government, unlike previous imperial powers, seeks to acquire and maintain an empire from which it derives no economic benefits. In fact, not only is our pursuit of world empire shredding the Constitution (as well as countless lives), it is bankrupting the country.

By the end of 2005, the national debt had grown to \$8.1 trillion, or 64.7 percent of GDP. That is nearly six times the amount of currency in circulation. Forty-four percent of that debt was held by foreigners. Of that, 64 percent was held by central banks. Since September 30, 2005, the debt has been increasing at the rate of approximately two billion dollars per day. On a *per capita* basis, it has now reached \$28,000. What has been the response of Congress? Reduce spending? Increase taxes? No. In March 2006, it raised the legal debt ceiling to nine trillion dollars to allow for even more government borrowing.

The deficit for 2005 was \$726 billion, or 5.8 percent of GDP. In “Does the Widening U.S. Trade Deficit Pose a Threat to the Economy?” Frank Shostak of the Mises Institute writes that,

As a result of the ballooning deficit, the value of U.S. net external liabilities, expressed at historical cost, jumped to \$5.1 trillion in 2005 from \$4.3 trillion in 2004. As a percentage of GDP, net external liabilities climbed to 41% in 2005 from 37% in the previous year and

4.9% in 1980.

The Office of Management and Budget reports that the U.S. federal budget for fiscal year 2007 is \$2.251 trillion. Of this amount, \$1.102 trillion—49 percent—is allocated to the military. The breakdown is as follows: current military, \$563 billion; past military (veterans’ benefits and financing past wars through loans, savings bonds, *etc.*), \$439 billion; and the wars in Iraq and Afghanistan, an estimated \$100 billion. (In *The Economic Costs of the Iraq War: An Appraisal Three Years After the Beginning of the Conflict*, however, Joseph E. Stiglitz of Columbia University and Linda Bilmes of Harvard project that the true cost of the Iraq war alone will exceed one trillion dollars.)

If the debt and deficit are not reduced, which is unlikely, since President Bush has asserted that his “War on Terror” will continue into the foreseeable future, the financial practices of the U.S. government may appear to many investors, particularly foreign investors, as a Ponzi scheme. If that perception takes hold, the currency will weaken as foreigners fearing an economic crisis become less willing to invest in U.S. dollars. To continue to attract foreign investment, the Federal Reserve would then have to raise interest rates, perhaps significantly, which could provoke a major recession.

War is one tactic employed by the neocons in their quest for global empire; trade is another. And their “free-trade” policy is hollowing out the U.S. economy, which is already suffering from 25 years of deindustrialization as companies relocate their plants to Mexico and (then) Asia, outsourcing U.S. jobs overseas. It is the greatest transfer of wealth in history—from America to Asia.

If current trends continue, Forrester Research, an information-technology consulting firm, expects the number of U.S. jobs outsourced to jump from 400,000 in 2004 to 3.3 million per year by 2015. And it is not just manufacturing and service jobs that are being outsourced. Technology-related jobs, such as “software development, customer service, accounting, back-office support, product development and other white collar endeavors,” are also being sent overseas. According to a study by the University of California, Berkeley, approximately 14

million Americans working as “financial analysts, medical technicians, paralegals, and computer and math professionals could reasonably be considered ‘at risk’” for having their jobs outsourced, while Deloitte Consulting anticipates that three quarters of America’s leading financial institutions will eventually outsource their jobs, with India a prime destination.

Over half of the Fortune 500 companies are already outsourcing jobs. These include American Express, Chase, Dell, Delta Airlines, Hewlett-Packard, HSBC, J.P. Morgan, and Oracle. And, according to a CNET News.com and Harris Interactive poll, over 40 percent of U.S. technology executives are willing to pay higher taxes to prevent the U.S. government from prohibiting outsourcing. Outsourcing is too profitable to U.S. companies for them to allow it to be terminated, no matter how damaging it is to U.S. workers. As former U.S. Trade Representative Charlene Barshefsky remarked, “We used to think that displaced workers, given new training, could move up the value chain. There is now a question about whether that upward movement will be possible.”

The profitability of outsourcing is principally derived from differences in salaries and regulations. First, companies often pay foreign workers a fraction of the American wage. For instance, in 2002, the U.S. salary for a software programmer was \$66,100; in India, it was \$10,000. A mechanical engineer in the United States earned \$55,600; in India, \$5,900. Here, an IT manager received \$55,000; there, \$8,500. An accountant earned \$41,000 in America, but only \$5,000 in India. And financial operations paid \$37,625 in the United States, but only \$5,500 in India.

Second, companies’ foreign operations are not subject to U.S. laws on pollution, employment practices, workplace conditions, minimum wage, maximum work hours per week, sick days, child labor, safety standards, healthcare, unemployment compensation, and pensions.

Thus, many U.S. businesses benefit from the American Empire, even though the government and citizens of the United States do not. But what about India, an aspiring world power, a junior partner in the U.S. War on Terror, and a beneficiary of U.S. outsourcing?

India sees an alliance with the United States as a way to advance her national interests, including recognition as a nuclear power. New Delhi speaks of a "strategic partnership" with Washington, as reflected in the "New Framework for the US-India Defense Relationship" and the "US-India Global Democracy Initiative" to "promote stability, democracy, prosperity and peace throughout the world." In return for this cooperation, Washington plans "to help India become a major world power in the 21st century," to serve as a counterweight to China.

Integral to this "strategic partnership" is the establishment of a CEO forum of Indian and American business leaders to promote trade and investment in India, which includes promoting the outsourcing of U.S. jobs to India. In its desire to benefit financially from America's empire, the Indian government is blind to domestic repercussions.

India is a land of two extremes locked in a timeless cold war that is now turning hot: the rich, literate, "progressive" urban centers *versus* the poor, illiterate, "traditional" countryside. The former hold political and economic power, but they are outnumbered, surrounded, infiltrated, and, ultimately, at the mercy of the latter

should they revolt.

In the 1970's, this environment produced Maoists—called Naxalites after the city of their origin, Naxalbari in West Bengal—who sought a "people's war" of the countryside against the cities. The initial insurgency failed; outsourcing, however, has brought it back to life with a vengeance.

In conjunction with New Delhi's policy of economic liberalization, outsourcing has generated tremendous economic growth in India. With a GDP growth rate exceeding eight percent in 2005, and anticipated to continue apace for the near future, India is the second-fastest growing major economy in the world.

This growth, however, has amplified the disparity in incomes and expectations within cities, between the cities and the countryside, and among the regions. For instance, the disparity in growth rates between what are termed the forward and the backward Indian states rose from 0.3 percent to 3.3 percent. And 106 million people, roughly ten percent of the population, are unemployed. Seventy-five percent live in the countryside. Corruption, disaffection, and alienation have set in.

As a result, within 18 months, the Naxalite insurgency extended its sphere of

influence from 76 districts in nine states in 2003 to 156 districts in 13 states by 2005—one quarter of India's territory.

The "Red Corridor" they established linking their "liberated zones" in India with Maoist-controlled territory in Nepal is being expanded into a north-south and east-west corridor spanning all of India. According to Ranjit Kumar Gupta, a former police commissioner of Kolkata who fought Naxalites in the 1970's, a coordinated attack from the Red Corridor could break the country in half, leading to Naxalite "control over huge deposits of minerals, oils, and industrialised territory." The question now is not "if" but "when" it will occur.

There is irony in all this—ex-Trotskyites, American neocons, promoting international capitalism; the flourishing of international capitalism in India fostering the growth of the ultraleftist Naxalites. And there is tragedy. The empire cannot be sustained. Like the god Cronus, it devours its children. It is bankrupting the United States and unraveling India. The former is facing economic implosion; the latter, social explosion.

Joseph E. Fallon writes from Rye, New York.

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Super Savior

The American Civil Liberties Union's executive officers must be on vacation somewhere off the telecommunications grid. This supposition occurred to me as I watched Bryan Singer's *Superman Returns*. Although the film takes off the wraps and reveals the Man of Steel to be none other than Jesus Christ in tight, the ACLU has not filed a single lawsuit to protect the young from witnessing such a muscular portrayal of saviorhood. The usually vigilant atheists, I concluded, must be out of touch.

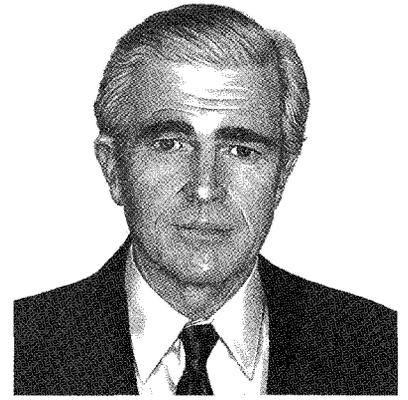
Return makes no bones about its Christ symbolism. It announces it loudly, repeatedly, and unapologetically throughout its entire two hours and thirty-four minutes. So much so, I began to wonder if it were a ploy to gain greater audience share. Could this be Hollywood's cynical response to Mel Gibson's passionate lesson? Even before the opening credits have run their swollen course, we hear Marlon Brando, playing Jor-El, Superman's biological father, declaiming his son's salvific mission on Earth in the plummy accent he used 44 years ago as Fletcher Christian in *Mutiny on the Bounty*. (Brando appears courtesy of bits remastered from his performance in the 1978 *Superman: The Movie*.) His accent may not ring true to the starchy elocution of the Oxbridge elite, but no one can dispute its spot-on rendition of Kryptonian English. "For this above all," Brando mumbles hieratically, if confusedly, "their capacity for good, I have sent them you, my only son." He adds for good measure, "The son becomes the father, and the father becomes the son," a sentiment that will be repeated by his own son in the movie's closing moments. Sounds almost Trinitarian to me, although the Spirit seems to have gone missing.

Next, we see Krypton's favorite son hurtling through the heavens in a ball of flaming crystal. He has been away from Earth for five years searching for his Kryptonian roots. Having discovered there's nothing left of his birth planet, he is on his way back to his foster home and his foster mother in Smallville, Kansas. After crawling battered and weak from the wreckage of his space capsule, he falls into the arms of Ma Kent, who comforts

him in a Pietà pose. Singer really knows how to soften up his audience. Not only does his Superman suffer in a Christ-like manner, his mom is Eva Marie Saint, who comforted another Christ figure 52 years ago playing Brando's girlfriend in *On the Waterfront*. It was she who inspired Brando's Terry Malloy to embark on his own Via Dolorosa as the man willing to sacrifice himself on behalf of his fellow longshoremen.

Superman has come back resigned to live as an alien among his beloved earthlings, including his especially beloved Lois Lane. Miss Lane, however, is no longer so lovable. So angry was she with her Kryptonian, she went out and snagged herself a Pulitzer in his absence, writing an article entitled, "Why the World Doesn't Need Superman." Talk about burning your undies! Miss Lane has also acquired a son, now four years old, whose paternity is a trifle obscure despite her live-in boyfriend, the dapper *Daily Planet* editor, and, wouldn't you know, nephew of the gruff but adorable editor in chief, Perry White.

Attempting a reconciliation of sorts with Lois, Superman in his Clark Kent disguise tries to explain why his alter ego flew away without so much as a farewell cape flap. Maybe, Clark suggests, the big lug's feelings were so deep that he did not know how to express them. Lois frostily dismisses this bespectacled observation, declaring that neither Superman's absence nor his return concerns her. This, after Supe has just saved her, along with 30 or so other journalists, from disaster in an airliner nose-diving into Yankee Stadium. Later, appearing as himself, Superman takes her in his arms for a flight into the heavens, where he gently chastises her for her churlish article. "You wrote the world doesn't need a savior, but everyday I hear people crying for one." It is an odd explanation for having taken a half-decade powder, but, then, Superman stories have always been gloriously illogical. What he seems to mean is this: *Though I'm in love with you, Honey, there's a world of hurt to deal with down there, and I've got to be taking care of business.* And take care he does in a montage of rescues and crime stopping round the globe that set



Superman Returns

Produced and distributed
by Warner Brothers Pictures

Directed by Bryan Singer

Screenplay by Michael Dougherty
and Dan Harris

newscasters wondering if he is traveling faster than the speed of light. Of course he is: He's Superman. This raises a question, however: With such quickness, you would think that he would be able to fit Lois in on the side. But, no, this Kryptonian is entirely honorable (except, of course, for that five-year disappearing act). He will not trifle with her affections nor interfere with her new — although, as yet, unhallowed — relationship. Such heroic selflessness has become preciously rare in commercial films, and I confess to being absurdly touched by it.

Once Supe had finished this installment's round of adventures and flown off into the starry night, I questioned my initial assumption about the ACLU's inaction. Maybe the litigious activists were being crafty. They may have determined that, should they sue, their case might well be thrown out of court on grounds of frivolous typology. While Singer has glaringly loaded up on Christian imagery, his film echoes the Nietzschean *Übermensch* as often as it does the Nazarene Carpenter. True, the new Supe, Brandon Routh, takes a passionate beating at the hands of an extravagantly evil Lex Luthor (Kevin Spacey in manic overdrive), and he strikes a gallery of handsome cruciform poses, but he is also heralded by chords swiped from the Richard Strauss symphonic ode to Friedrich Nietzsche's *Thus Spake Zarathustra*, so memorably invoked in Stanley Kubrick's *2001: A Space Odyssey* (1968). On his flights in-