

The Fall of the House of Utter

by Clark Stooksbury

“Arrogance and boldness belong to those that are accursed of God.”

—Saint Clement of Rome

The Limits of Power: The End of American Exceptionalism

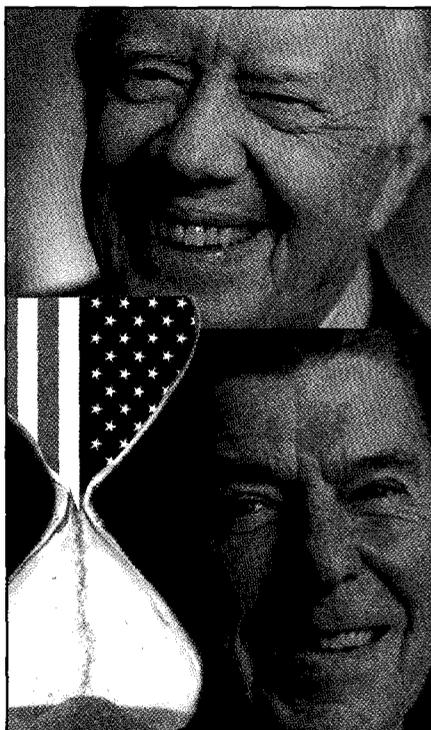
by Andrew J. Bacevich
New York: Metropolitan Books;
206 pp., \$24.00



After the end of the Cold War, reasonable people might have expected the United States to withdraw from her many foreign commitments and become a normal country again. Yet the opposite has happened. Rather than dissolve, NATO has expanded. Instead of settling back to enjoy a peace dividend, the United States has intervened militarily in the Persian Gulf, the Balkans, and numerous other places. In *The Limits of Power*, Andrew Bacevich investigates why the United States did not return in the 1990's to what President Harding had called “normalcy.”

The first section of his book recalls Bill McKibben's *Deep Economy* (2007), a condemnation of American hyperindividualism and rampant consumption as a source of personal dissatisfaction and as a threat to the environment. Bacevich goes a step further than McKibben by tying the American culture of consumption to an expansionist foreign policy.

Clark Stooksbury writes from Knoxville, Tennessee.



Melanie Anderson

The impulses that have landed us in a war of no exits and no deadlines come from within. Foreign policy has, for decades, provided an outward manifestation of American domestic ambitions, urges, and fears. In our own time, it has increasingly become an expression of domestic dysfunction—an attempt to manage or defer coming to terms with contradictions besetting the American way of life.

Bacevich characterizes the essential threat to the country as the “crisis of profligacy.” His point is that the wasteful and energy-intensive American way of life drives and influences our foreign policy.

Bacevich quotes extensively from President Jimmy Carter's “malaise speech” of July 1979. Carter had numerous failings, but he did understand the importance of the energy issue and of American profligacy. The malaise speech, Bacevich notes, violated a cardinal rule in American politics:

In American political discourse, fundamental threats are by definition external. Nazi Germany, Imperial Japan, or international communism could threaten the United States . . . Yet Carter now dared to suggest that the real danger to American Democracy lay within.

The gist of the speech was that Americans are spiritually unsatisfied by material consumption. Bacevich writes that Carter's “conception of authentic freedom was qualitative: It meant living in accordance with permanent values. At least by implication, it meant settling for less.” This message did not catch on. The speech was not welcomed by self-indulgent postwar Americans. No president since that time has made the mistake of telling Americans that they might be better off settling for less. The political beneficiary of Carter's gloomy assessment was his political and (more importantly) temperamental opposite, Ronald Reagan.

Reagan fares poorly in the estimation of Andrew Bacevich. He describes the 40th president, who set the tone for the last three decades of American history, as “the modern prophet of profligacy, the politician who gave moral sanction to the empire of consumption,” and criticizes Reagan for having exercised his “canny knack for telling Americans what most of them wanted to hear,” primarily that they “could have more.”

Today, Reagan is lionized for having secured victory over the Soviet Union in the Cold War, yet the contest with the Soviets was only one aspect of his foreign policy; another was an interest in the Persian Gulf and in that region’s large supply of oil. Bacevich writes that Reagan

put in motion efforts to secure U.S. domination over the Persian Gulf. A much-hyped but actually receding Soviet threat provided the rationale for the Reagan military buildup of the 1980s.

Yet, he continues, “the splendid army that Reagan helped create found eventual employment . . . in vainly trying to impose an American imperium on the Persian Gulf.”

Reagan’s record in the Gulf is one of folly and misadventure. The President famously “tilted” toward Iraq during that country’s war with Iran, while secretly selling arms to the latter. Bacevich recalls some long-forgotten events in the Gulf during the 1980’s, including an act of aggression by Iraqis against Americans in the form of a missile attack on a U.S. frigate, which killed 37 sailors. Reagan, Bacevich notes, “generously accepted Saddam’s explanation and blamed Iran for escalating violence.” Another event that usually falls down the memory hole was the missile strike by the cruiser U.S.S. *Vincennes* that killed almost 300 Iranians on an Iranian commercial airliner while supposedly defending Kuwaiti oil tankers in the Persian Gulf.

The Reagan administration’s focus on the Gulf safeguarded American access to much-needed petroleum supplies, but, as Bacevich notes,

President Reagan’s

real achievement in the Persian Gulf was to make a down payment on an enterprise destined to consume tens of thousands of lives, many American, many others not, along with hundreds of billions of dollars—to date at least, the ultimate expression of American profligacy.

Bacevich comes down hard on President Reagan, but he does not excuse the men who followed him. More importantly, he notes the development of the American public’s notion of the presidency since the Kennedy years, a process that has caused the chief executive to be regarded today as a “demi-god, father figure, and inevitably, the betrayer of inflated hopes.” Indeed, the extent to which presidents have become celebrities dominating the public stage is almost as disturbing as the level of power that they have usurped.

Presidents have increased the power of their office largely through the expansion of the national-security state that occurred after World War II. Bacevich credits the rise of the security state with killing off the Old Republic. And it is doubly damning that the security state does not work:

To substantiate that judgment, one need only recall the events of the present decade, including the failure to anticipate and avert 9/11; the failure to bring to justice its chief architects; the failure to devise a realistic and strategically coherent response to the threat posed by Islamic extremism; and above all the egregious failures associated with the Iraq and Afghan wars.

Bacevich considers three popular explanations for the recent failures of the national-security state, starting with President George W. Bush. The next ring in the concentric circle of blame includes Bush’s subordinates, such as Dick Cheney and Don-

ald Rumsfeld. Next there is the “cabal of neoconservatives said to exercise diabolical influence over the president and his inner circle.” Finally, Bacevich adds a fourth explanation—that President Bush “has for the most part operated within the framework that has defined basic national security policy for decades.”

Although there is a great deal of truth in the last of these causes, it is important not to neglect the first three. Neoconservatives had been demanding an invasion of Iraq for years before September 11. Al Gore, had he been president, might also have invaded Iraq at the urging of *The New Republic* and Vice President Lieberman, but there are many features of the last eight years—the megalomaniacal carrier-landing stunt, the normalization of torture, the naive expectation of a “cakewalk” war followed by a liberators’ greeting on the part of the Iraqi people—that seem to be unique to the Bush administration.

Bacevich enumerates the principles of America’s national-security ideology that culminate in the belief that, for “the American way of life to endure, freedom must prevail everywhere,” which amounts to a moral blank check for U.S. foreign policy. After all, who can be against freedom? President Bush has repeatedly cashed such checks, but he is far from unique among modern American presidents in having done so, and there is little reason to assume that the near future will be any different. Sen. Barack Obama, alas, is no “Come home, America” McGovernite:

Like Bush—like those who preceded Bush—Obama defined America’s purposes in cosmic terms. “The mission of the United States,” he proclaimed, “is to provide global leadership grounded in the understanding that the world shares a common security and a common humanity.”

The possibility that the United States doesn’t have a “mission” to save or police the world has very little sup-

port among the elites who direct our foreign policy.

The United States also has a dysfunctional national-security apparatus:

Over the last several decades, presidents have come to view the national security apparatus not as an aid but as an impediment in decision making. More often than not, presidents have come into office wary of any advice that these institutions might offer, suspecting that it is anything but disinterested.

Yet the advice of these sages has often been dubious and has leaned heavily toward fear-mongering. NSC 68, written chiefly by Paul Nitze and published by the National Security Council in 1950, averred that the United States was “in greater jeopardy than ever before in our history” from the Soviet Union, which, Bacevich reminds us, was at that time “a country leveled by World War II and barely in

the recovery phase.” The NSC document got a boost when North Korea invaded the South. “[N]ot for the last time in recent American history . . . Wise Men impulsively attributed earth-shattering significance to a development of middling importance,” Bacevich notes.

The result was to sweep aside remaining doubts about Nitze’s prescription. NSC 68 became dogma. The defense budget more than tripled in size, most of the increased spending used not to fight in Korea but to fund the program of general rearmament that Nitze had proposed. The militarization of U.S. policy began in earnest.

Nitze was to be involved in other alarmist hysteria over the “bomber gap” and “missile gap” in the 1970’s when he was a member of the CIA’s Team B, which warned of the threat of a Soviet first strike.

Among Nitze’s heirs is Paul Wolfowitz, a junior member of the Team B panel who would join with Donald Rumsfeld in the 1990’s to warn of the dangers posed by the future Axis of Evil: Iran, Iraq, and North Korea. In Bacevich’s estimation,

the Soviet Union never achieved anything remotely like a preemptive capability. As for the Rumsfeld commission, its conclusions have proven entirely bogus. Yet in each of these cases, as with NSC 68, the hue and cry concocted by Wise Men produced the intended result.

Wolfowitz was Rumsfeld’s deputy when the September 11 attacks occurred, giving him and his allies in the Bush administration a tremendous opportunity to put their theories into practice. The results of this execution have spawned a literary genre, and Bacevich doesn’t devote a great deal of space to a topic that has been, and will continue to be, examined at length in other works. *The Limits of Power* is more concerned with the ways in which the Bush administration represents a continuation of recent history.

Andrew Bacevich examines the military crisis that has grown out of America’s dysfunctional national-security ideology in the context of our moribund political culture. The crisis manifests itself, in part, in a shortage of troops. Bacevich considers the possibility of reinstating the draft, but rejects it as a poor idea as well as politically impossible. Rather than favoring an expanded Army, Bacevich prefers a downsized mission. “America doesn’t need a bigger army. It needs a smaller—that is, more modest—foreign policy, one that assigns soldiers missions that are consistent with their capabilities.”

The Limits of Power is, at times, an angry polemic. Andrew Bacevich’s disgust with America’s bankrupt (in every sense) political culture is well justified. That culture has led the country, in his view, to embrace an unsustainable concept of freedom understood as mass consumption built on debt at home and arrogance abroad. ◊

THE ESSENTIAL SAM FRANCIS COLLECTION

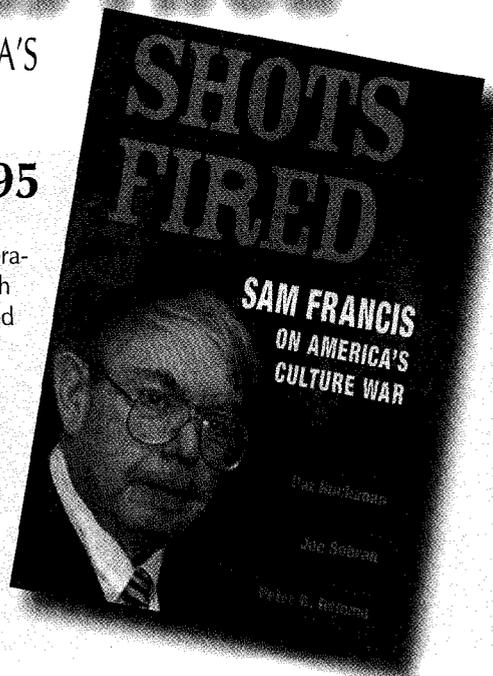
Shots Fired

SAM FRANCIS ON AMERICA'S
CULTURE WAR

320 pages • \$23.95

“*Shots Fired* will provide a new generation of Middle American Radicals with a stockpile of ammunition handloaded by Dr. Francis. His insights into the headlines of the day are so keen that they read as if they were written only yesterday. In page after page, he tips the sacred cows of the self-appointed cultural elites, unmasking the ways in which they seek to legitimize and expand their power by attacking our culture and its symbols.”

—Aaron D. Wolf



To order, call (800) 383-0680 or visit www.ChroniclesMagazine.org

A Republic of Speculators

by H.A. Scott Trask

Bad Money: Reckless Finance, Failed Politics, and the Global Crisis of American Capitalism

by Kevin Phillips

New York: Viking Penguin;

239 pp., \$25.95



The long-suffering and largely ignored paleoconservatives might be forgiven for taking some satisfaction in the recent bursting of so many bubbles of avarice and pride, the sudden exposure of so many highly leveraged speculations in stupidity. Let us recount some of the failed millennial assertions by the ruling party: that history has come to an end; that this will be a second American Century; that U.S. military power is omnipotent and redemptive; that nationalism and religion have lost all value in the global marketplace; that nature has been remade to serve our pleasure; that technology has abolished the laws of scarcity; that the business cycle has been broken and stretched into an ascending line to utopia; that we can borrow and spend our way to imperial munificence and exurban bliss.

Hence the shock when, in a little less than a year, Americans have seen the dollar plunge, inflation soar, the housing market collapse, the price of gas explode. With their wages stagnating, their savings near zero, credit cards maxed out, their government in deficit and overextended abroad, Americans are panicking, and the mood is understandable. Public-sector debt (state and federal) stands at \$11 trillion. That's less than one third of private-sector debt, which is a staggering \$37 trillion, and that does not count unfunded federal liabilities (Social Security, Medicare, pensions). The ratio of credit-market debt to GDP is higher than it was at the height of the Great Depression. In 1929, this ratio was 176 percent. In 1933, after FDR devalued the dollar, it rose to 287 percent. In

2006, the ratio was 335 percent.

And there's no end in sight. The United States now imports 72 percent of her petroleum, and both the federal government and the consumer are dependent on annual infusions of foreign capital (to fund the wars of the former, the credit cards and home mortgages of the latter). The U.S. current-account deficit for 2007 was \$857 billion, nearly double what it was in 2001. U.S. manufacturing has fallen to 12 percent of GDP, while financial services have climbed to 21 percent.

Kevin Phillips understands that President Richard M. Nixon staged the necessary first act when he severed the dollar's last link with gold in 1971. But in *Bad Money*, he points to the late 1980's, with its lethal combination of liquidity, deregulation, and financial bailouts, "as the launching pad of a decisive financial sector takeover of the U.S. economy." The clearest evidence was the setting up of the President's Working Group on Financial Markets (the Plunge Protection Team) in 1988. Its members included the chairman of the Federal Reserve and the secretary of the treasury. Their task was to intervene whenever panic gripped the stock, bond, or money markets and to restore stability or (what is the same thing) preserve the value of financial assets. Their techniques included emergency loans (often at below-market interest rates), cash infusions, the lowering of interest rates, pressuring healthy firms or even foreign investors to bail out ailing firms, even buying on the futures market to prop up falling stocks. From 1982 to 2002, the Federal Reserve and the U.S. Treasury, together or separately, intervened 11 times to rescue financial firms from the consequences of their own recklessness and greed. In March the Fed provided \$30 billion to facilitate the buyout of the bankrupt investment firm Bear Stearns by the behemoth JP-Morgan Chase. More recently, the government nationalized the federal mortgage lenders Fannie Mae and Freddie Mac, and bailed out insurance conglomerate AIG, before authorizing an \$850-billion bailout plan that would allow Washington to purchase distressed mortgage-backed securities. For priv-

ileged and protected speculators, the profits are private, but the risk is public. Thus, at the very time (the 1980's) when our so-called elite was scorning an industrial policy as a violation of the sacred laws of the all-seeing market, it was quietly adopting a government-sponsored financial policy.

It was the wrong road, but it was only one of many; 1986 was the year of the Reagan immigration amnesty, which falsely promised enhanced enforcement while flashing the green light to the world: There will be no deportations. After a few years of ineffectual hand-wringing about America's "twin deficits" in trade and government spending, the powers that be finally decided after the 1992 election that "deficits don't matter" in the new global economy. The debate about national decline begun by Paul Kennedy in his *Rise and Fall of the Great Powers* (1987) was silenced following the triumph of the Persian Gulf War. When the Soviet Union dissolved into its constituent republics, some wondered whether it was time to bring the troops home. Instead, our political class decided that the world had become more dangerous than ever and that the vacuum created by the fall of communism had to be filled with American bases and American pride. It was the "unipolar moment," and we were "the indispensable nation."

Kevin Phillips' last book to influence policy or politics was his first one, *The Emerging Republican Majority* (1969), which taught the Republicans how to win national elections. Since the onset of the Bush regime, he has tried to warn people how the Bushies have been ruining the country. In *The Politics of Rich and Poor* (1990), Phillips noted "the Republican Party's historical role" of "tilt[ing] power, policy, wealth, and income toward the richest portions of the population." He pulled back the curtain of free-market rhetoric to reveal what was really going on: the upward redistribution of wealth by government policy. The techniques are as old as Alexander Hamilton: debt management, currency manipulation, discriminatory taxation. "Laissez-faire is a pretense," he wrote in *Wealth and*