

EXCLUSIVE

# SOVIET ISOLATIONISM AND EURO-AMERICAN EXPANSION: FROM PANAMA TO POLAND

James Petras

The U.S. invasion of Panama has serious implications for U.S. policy in a number of crucial areas. It raises important questions about the nature of U.S. policy in a period of declining East-West competition, as well as providing some insights into U.S. — Latin American and Third World relations. Washington's resort to a military interventionary policy in Central America provides us with a sense of its priorities and commitments and thus has a direct bearing on the position of the U.S. relative to its competitors in the world economy. The assumptions and consequences surrounding the U.S. invasion of Panama raise basic questions about the direction of historical change in the coming period.

The U.S. military invasion of Panama, occurring as it does in the midst of the euphoria about the "end of the Cold War," the "worldwide democratization process" and even the "end of history" reminds us once again of the centrality of great-power politics: more important, the Panamanian invasion provides us with a context to re-think the larger consequences that the decline of one world-power has on another. More specifically, I would argue that it is precisely the retreat and decline of the U.S.S.R. and the emergence of pro-Western regimes in Eastern Europe which has stimulated the resurgence of Western expansionism and re-fueled hegemonic ambitions. Contrary

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to those who have argued for some sort of imitative symmetry in which democratization in the East and the breakup of the Soviet empire will automatically evoke a parallel process in the West by undermining the ideological arguments of repressive bloc politics, we are witnessing the strengthening of Western expansionist efforts and a propensity to use economic pressure and military force to project its power into regions attempting to assert their independence. The basic misconception of the proponents of imitative symmetry was to overstate the importance of ideological factors as the primary basis for bloc divisions and hegemonic politics and to understate the importance of economic-strategic drives in the West as the major force shaping their foreign policy toward the Third World.

the West can use Eastern Europe as an alternative source of cheap labour and extraction of raw materials, thus increasing the competition between regions, lowering the overall costs of commodities and increasing profits. After having milked Latin America and Africa dry through financial plunder designed by the IMF, run down their economic infrastructure and undermined the local market, the West is moving onto fresh terrain in Eastern Europe. Under the auspices of liberal market ideologues, Western banks, with the assistance of the IMF, hope to repeat the highly lucrative experience of the Third World in Eastern Europe.

The projection of U.S. power in the Third World raises important questions about the redivision of influence in the ex-Com-

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The U.S. invasion of Panama is not an anomaly, as some liberal critics assert, but a logical outcome of the reaffirmation of Western imperial interests. Strengthened by the peaceful spread of Western influence in the East — the capitalist powers are in a stronger position to reassert their dominance by force in the South. More significantly,

Western competition to carve out markets, foster client regimes and exploit cheap labor and strategic raw materials is likely to intensify. The U.S. invasion of Panama predictably supported by a solid phalanx of Western European countries (except Spain and Greece) represents the collective reaffirmation of the con-

tinuity of Western bloc politics. It also represents the reassertion of unified Western support for hegemonic power politics.

Among the Europeans and Japanese, there may be more than a little Machiavellian self-interest behind their support for the U.S. military intervention in the Third World. European and Japanese policymakers are probably calculating that continued U.S. expenditure of resources and policy attention to military confrontation in marginal areas will provide them with more economic opportunities and less competition in capturing markets and investment possibilities in Eastern Europe, China the U.S.S.R.. While U.S. policymakers are absorbed in pouring funds to bolster the puppet Endara regime, and while key policymakers spend endless meetings inventing justifications for illegal activities and the President celebrates the great military victory of a 240 million person superpower over a poor Third World country of two million, the U.S. still lacks an overall strategic policy to cope with its declining position in the world economy, its growing dependency on overseas funding to finance its monstrous trade deficits and ballooning budget deficits and debt payments.

The Bush imprint on foreign policy today suggests someone totally incapable of coming to terms with long-term, large-scale structural issues. Instead, we have the mentality of a CIA director: a focus on specific fields of operations, with emphasis on securing very immediate political interests in areas of easy access with an abundance of military resources. This narrow focus 'tactical'

thinking befitting a director of clandestine operations is completely ill-suited to confront the broad gauge challenges involved in creating a new configuration of economic power capable of competing in the world market, restructuring state institutions to facilitate technological competitiveness, or a new set of economic institutions which generate greater savings and investments in productive sectors. By background and temperament, Bush cannot transcend his past nor that of the Reaganite political-ideological matrix from which he was spawned.

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The "operational man" as President means that no serious effort will emerge capable of subordinating the day to day policy issues to a broad gauge conception of U.S. global policy interests. It is either give me a plan for overthrowing Noreiga, for meeting this or that debt default, or lofty but vacuous generalizations about the New Historical Era of Greater Freedom and Economic Openness.

The absence of a strategic conception of the U.S. role in world political-economy and the presence of an 'operational'-thinking President means that the end of the Cold War will be accompanied by an increase in regional conflicts. Soviet-isolationism will whet the hegemonic appetites of the "opportunity mongering" operators in the White House. They can be counted on to increase pressures on the Soviets to futher

withdraw support from traditional allies. In the name of "avoiding regional conflicts", Washington can be expected to encourage unilateral Soviet reductions of aid and trade to adversaries of U.S. hegemonic aspirations. Among all the major issues on the table at Malta, it is interesting to note that Bush applied the greatest pressure on Gorbachev to cut back aid to Cuba, and Nicaragua. The President's focus on reasserting U.S. ideological-military hegemony in Third World areas like Central America is vintage Bush. It

is what he has been trained to do best.

With the military invasion of a Third World country already consummated, it is clear that U.S. hegemonic politics are alive and well and the political conditions are now in place facilitating future military interventions whenever hegemonic interests dictate it.

Essentially, the Bush invasion of Panama punctures several myths about U.S. foreign policy which have gained credence over the past year.

Myth 1. The most prominent myth which gained prominence was the notion that Bush would follow a prudent, 'realistic' foreign policy, shifting away from the adventurous, unilateral ideological-military direction of the Reagan Administration. In place of politico-military inter-

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vention, we are told, Bush would focus on the economic issues. Recognizing the economic constraints on the U.S. global position, Washington would enter into negotiations with the U.S.S.R. in reducing global tensions and ending regional conflicts.

Any similarity between the above account and the behavior of the Bush Administration is purely coincidental.

The U.S. invasion of Panama is simply the culmination of a whole series of military based attempted power grabs in the Third World. Washington has poured billions of dollars in aid to clients in Afghanistan, UNITA in Angola, Contras in Honduras, to Pol Pot led guerrilla coalition in Cambodia. In each regional conflict, Washington has welcomed Soviet withdrawal and opposed any negotiated compromise, opting for an unconditional military victory by its surrogates

Western tutelage) that it is an excellent moment for the U.S. to reactivate its world-wide imperial role. Gorbachev's unravelling of the Soviet Union's world power position and his incapacity to foster a new power alignment to contain the reassertion of raw U.S. power stands as a major factor underlying the Bush Administration's willingness to shed the "prudent" imagery and to openly brandish imperial power. The 'new realism' that was attributed to Bush by the proponents of the prudent Presidency is a two-edged sword. For these analysts, the "realities" of a weakened economy, debts, deficits and a favourable international climate for arms reduction were conducive to a "relaxed international climate" and a refocusing of attention on rebuilding the domestic economy, the U.S. competitive position in the world economy etc. Bush and his advisors acted

After the initial intoxication with the Panamanian successes ends and the Administration sobers, Bush, Baker and company will have to confront the fact that all the energies expended and destruction wrought to reassert hegemony in Central America has not prevented the Japanese from dominating the strategic semi-conductor industry nor increased the U.S. capacity to compete with a unified Europe.

Myth 2. The second myth is that the tight ideological controls exercised by the mass media and the narrow political options available in the U.S. will loosen and debate broaden, now that the Communist menace has disappeared. In this view, internal constraints in the U.S. were viewed as products of external ideological and cultural conflicts. With Glasnost in the East, a similar process of political opening would occur in the U.S. and Western Europe. Nothing of the sort has occurred. While the major media in the U.S.S.R and Eastern Europe provided comprehensive coverage of demonstrations and arrests, in the U.S. the mass media covered up the hundreds of demonstrations and arrests during the urban uprising and civilian bombing in El Salvador. The media dutifully transmitted the pro-invasion propaganda of the Bush Administration and covered up the massive civilian killings in Panama. In the political realm, while the Soviets publically admitted their invasion of Afghanistan was morally wrong, the U.S. Congress makes no such acknowledgement about Vietnam, the Dominican Republic, Grenada — on the contrary, it applauds the recent Panamanian invasions, having encouraged it during the several months preceding the action.

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over existing left-wing regimes. Soviet unilateral military disengagement has encouraged Bush to assert U.S. military and political power — not to follow suite.

Bush's invasion of Panama is merely the crudest manifestation of the revival of imperial power politics. Heretofore Washington operated through surrogate forces. Now it appears Washington has decided that the Soviets are so politically weak, the Eastern Europeans so immersed in domestic economic problems (and moving under

on different "realities": the retreat of the Soviet Union, the emergence of pro-Western regimes in East Europe, and the consequent increasing vulnerability of target Third World countries to U.S. pressure and power plays. The temptation for the Bush Administration to realize the Reaganite dream of the early 1980's was too strong to resist. That fantasy involved projecting military and political power into areas of maximum vulnerability as a means for recapturing global preeminence.

While dissident political groups proliferate, few opposition demonstrators have access to the mass media in the U.S. and Western Europe. The established entrenched political machines monopolize the narrowly focused debates, most of which center on the means for increasing the flow of state resources to the international export and financial sector ("becoming competitive...").

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site of what was promised by the liberals when they were out of power. The "market reforms" are designed to increase unemployment, lower salaries, decrease public services, increase rents, transport fares, etc. The political consequence of advanced market reforms as practiced in China are widespread protest and heightened authoritarianism. In Yugoslavia, ethnic strife accompanies chauvanist outpourings, monstrous regional inequalities and a decade long decline in living standards. In Poland, the very introduction of the market policies was done in an authoritarian preemptory way. A clique within the Solidarity elite decided, rammed the free market reforms through the legislature with virtually no popular debate and imposed it on the labor force in the best Stalinist tradition. In Hungary and Czechoslovakia, market politicians plan to introduce their elitist pro-business agenda after the elections - hiding their real economic agenda behind libertarian and nationalist rhetoric. The process of electoral manipulation and duplicity which permeates the political practices of the new breed of market politicians is a necessary accompaniment of the new concentrations of power, income and status that their policies are designed to promote. Both in method (elite deals with overseas banks and the IMF without popular debates) and substance (the creation of a new privileged elite of private intermediaries, investors and foreign owners) The political transformations in Eastern Europe are facilitating the emergence of a new type of exclusive, class dominated elitist political-economic system.

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Glasnost or political openness is seen by Western power brokers not as a virtue to be practiced at home but as an opening to propagate pro-capitalist propaganda abroad, and to encourage Eastern liberals to rewrite their history in line with Western ideological dogma. The ideological changes induced in the East are then recycled back to the West as confirmations of the universal validity of capitalist verities. Eastern Glasnost with the pro-Western capitalist content thus becomes an ideological weapon to reinforce mass conformity and entrenched power in West. There is an inverse relationship between the amount of media coverage of mass protests and rebellion in the East and similar event in the West: when 30 million cast their ballots for a Socialist trade union leader in Brazil, it was given minimal coverage; when a small fraction of the above marched in Eastern Europe, tons of ink was spilled and the electronic airwaves burned out the circuits.

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tras: no blame, no moral indignation, no aid cut off to the contra murderers. The issue was forgotten. In the case of Panama, the opposite occurred.

The double meaning of Glasnost for the West was cynically summed up by Secretary of State Baker, "...both the United States and the Soviet Union supports democracy by staying out of countries, thus permitting democracy to proceed. In this one and very unique instance the United States did it by going in to assist a democratically elected government against a dictator" (Philadelphia Inquirer, Dec. 24, 1989, p. 6F).

Myth 3. The third myth concerns the introduction of capitalism in the East. According to this myth, by opening to the market, the former Communist countries will consolidate democracy, ensure Western aid, reconstruct their economies and improve living standards. Once in power, there is every indication that the outcomes of market policy will bring about the oppo-

The new wage and price sys-

tem will substantially diminish the freedom of workers to choose consumer goods (because of rising prices and frozen wages), will increase uncertainty of employment (because of plant closings and mass firings), eliminate opportunities to travel for many because of the high price of gas, insurance and transport. A handful of state officials, in consultation with overseas banks, have usurped the decision-making process. The most elementary freedoms for which the discontented populace struggled are being turned against them. The anti-communist protests against food shortages fanned by the liberals have been fashioned into policy instruments to deepen and extend the constraints on consumer purchasing power. The liberals attacked elitist communist decision-making and their linkages with the Soviet elite in order to establish their own coterie of 'specialists' and their own special decision networks with the Western banking, corporate and political elite.

In the final analysis, the freedom struggle in the East is in the process of being aborted. The mass demands for a more democratic political system, a more just society and an economic system linked to the social needs of the population has been subverted. Instead of new freedoms, a new elitist political class is striving to consolidate its power on the backs of the popular opposition. Exploiting grievances against the old Stalinist leadership, the new liberal elite attempts to legitimate its profound attacks on the social safety-net by promising a future paradise after a prolonged period of hardships and elite affluence. In Orwellian fashion, the market politicians

argue that greater inequalities will increase equity; more expensive consumer goods and lower wages will increase living standards; greater foreign bank and corporate control will strengthen the national economy. None of the basic economic changes will increase worker or popular living standards, or control over trade, investment and social welfare policy. By amalgamating Stalinist repression with the social welfare net, the liberals hope to drive a wedge between private business-oriented sectors and wage workers. The new market politicians disguise their elitist power grab by ascribing decisions to "The Market". The pervasive anthropomorphising of "The Market" ("the Market" dictates...", "the Market sets prices...") is a convenient ideological device to obscure the new concentrations of decision making power. Behind a discourse of electoral and market freedom one finds the practice of technocratic elitism and private power.

The growing gap between Eastern libertarian rhetoric and the elitist-exploitative practice has increased the levels of popular discontent. In anticipation of clashes with workers and consumers, the Eastern liberal elites are scurrying to deepen their ties with potential Western benefactors — financial, religious and political. Horizontal economic linkages between Eastern liberal ideologues and Western policy and business elites are both cause and consequence of the disruptive and exploitative relations which they are fastening on the labor force. The power vacuum in the East, the extremely weak institutional political base of the liberals

and the likely outbursts of mass ethnic and regional protests against the imposition of the market are likely to tempt Western Europe and the U.S. to become increasingly involved in strengthening one or another client group as a "stabilizing force".

### Conclusion

The Panamanian invasion confirms the idea that the recently enunciated U.S. doctrine of "extraterritoriality" is a matter of practical policy. The disintegration of the Soviet empire and the emergence of a new political class of market-ideologues opens new vistas for outward-looking great powers willing and able to cut deals and to build new patron client relations. In its heyday of global power, the U.S. could observe symbols of political sovereignty while subverting their socio-economic substance. In a period of declining global power, Washington violates the symbols of sovereignty because it has not the means to dominate their empire: the Soviets are no longer capable of controlling either the symbols of sovereignty or the substance of power. European backing for the U.S. invasion of Panama affirms the general notion of Western supremacy, lowers the barriers to future interventions (including non-military) and opens up opportunities for deeper and more comprehensive probes in their Eastern periphery. The linkage between U.S. military intervention in Central America and European economic expansion into Eastern Europe are thus two aspects of a similar reality: Stalinism is Dead! Long Live Anglo-European Hegemony! ●