

SUMMARY STATEMENT ON GLOBALISATION AND MILITARISM

TO THE CONFERENCE

ON THE ACTUALITY AND MEANING OF SOCIAL MOVEMENTS OF THE WORLD FORUM FOR ALTERNATIVES, January 13, 2002

1 In this statement to the World Forum on Alternatives, I propose to reflect on the thematic of globalisation and militarism, on which I have done extensive research in recent years. The growing impact of militarism on today's globalised economic relations, is reflected amongst others in the fast rise in the US's military budget, in the devastating effects of arms' trade on Southern economies, and in the lastingly negative consequences of military-nuclear production. Whereas the issue of militarism has to an extent been covered by the previous speaker, Gilbert Achcar, whose approach is primarily programmatic, I will offer additional points for reflection, from a perspective which is primarily conceptual. My premise is that, in order to conceptualise the thematic of globalisation and militarism, we need to revive an interest in Marxist economics. At the same time, we need an innovative, a very 'unorthodox' Marxist-theoretical approach, if we are to succeed in visualising the destructive impact which military production and exports have for humanity today.

2. Broadly speaking, we can divide the work to be accomplished in the conceptual sphere into three distinct areas. First there is the issue of the role of the military sector in the United States economy. I have already brought up the question of business cycle regulation through manipulation of the military sector, i.e. in the introductory session of this Conference held in Luxemburg. In the Conference's working group on politics we had a substantial debate on the topic, where Andre Gunder Frank and Gilbert Achcar stated their own positions alongside Samir Amin. In a nutshell my own understanding starts from Karl Marx's discussion on Production Departments contained in Capital II. Here, Marx explained that strictly proportional relations need to be maintained between the two Departments of Production, i.e. the Department for Production of the Means of Production (MP) and the Department for Production of the Means of Consumption (MC), in order to ensure that the process of social accumulation can smoothly proceed.

The military sector was not specifically theorised as a Production Department by Karl Marx. Yet it has been theorised as such in the era of monopoly capitalism, more particularly with reference to the position of the military sector in the US economy during the second half of the twentieth century. Here the point is not that the production of arms and armament systems, taking place in the military sector, is necessarily at par with production in other Departments in a quantitative sense. The point is primarily that the military sector functions in a qualitatively different manner, since it is a non-reciprocal sector instead of a purely market-sector of industrial production. Since actors belonging to military corporations buy commodities from the other Departments, but do not sell any commodities to actors based in these Departments in return, and since the commodities

turned out by the military sector flow towards the capitalist state, the sector indeed can easily be manipulated by the hegemonic state.

However, and here my position differs from that of those who have previously theorised the military sector as Production Department, - the military sector of the hegemonic economy cannot be permanently manipulated for purposes of business sector regulation. The experience of the US economy in fact has shown that ultimately the military sector becomes a source of periodic crises, alongside other causes of crisis such as overproduction and underconsumption that were identified as sources of periodic crises by Marx. The outcome of prolonged reliance on the military sector by the US state was that production in this sector became 'discomplementary' with production in the fundamental economic Departments. And since the military sector, as stated, is dependent on state purchases, the state can impose both production-expansion and production-contraction on corporations in this sector. Hence, the military sector of the hegemonic capitalist economy functions as Department, but only on a semi-permanent footing.

3. The second major area for conceptual work on militarism, is the issue of arms' trade, more specifically the arms' trade between countries of the North and countries of the South. I have earlier hinted at this question in this Conference's session on Sub-Saharan Africa, when there was a brief exchange of views on the devastating wars taking place in the Congo, Angola and some other key countries of the African continent. These wars, as empirical investigations carried out under the aegis of the United Nations have brought out, largely depend on the parallel exchange between mineral wealth and other raw materials flowing towards countries of the North on the one hand –and arms flowing into African countries at war from outside the continent on the other hand. This parallel exchange between commodities representing social wealth and commodities representing social waste, may be conceptualised as disparate exchange, since the nature of the commodities traded to finance arms' purchases is qualitatively different from the nature of the arms.

The starting point for the theorisation of arms' trade from North to South, which in fact covers roughly two-thirds of all world trade in arms, is the debate on, and the conceptual work accomplished in the past, on the thematic of unequal exchange. Samir Amin was, of course, a very prominent participant in this debate. The term unequal exchange was coined to refer to the mechanism of the constantly changing terms of trade, between goods exported by peripheral economies and goods exported by countries belonging to the centre of the world economy. The growing consciousness on the part of Southern states, most prominently the awareness of oil-producing/exporting countries, as is well known, led to joint struggles to reduce the level of the given exploitation. Imperialism, in particular American imperialism, responded to the struggles around oil and other raw materials exported by the South, by instituting the trading mechanism of disparate exchange.

Thus, in promoting policies whereby oil-rich state channelised a major part of the income gained from higher oil prices towards the purchases of arms' systems, US imperialism ensured that the gains from reduced levels of unequal exchange were bagged by

armament corporations based in central economies, - instead of by the populations of peripheral countries. Disparate exchange, however, is not only a trading mechanism in succession, but can equally function as a co-existing mechanism of exploitation of the South, along with unequal exchange. As the experience of countries in the Middle East and in Africa brings out, the negative consequences in terms of the losses of human lives and the continuation of human misery are more dramatic even than those wrought by unequal exchange. Hence, the issue of disparate exchange should surely be raised by the worldwide movement against globalisation, which rightly questions the ideology of 'free trade'.

4. The third crucial area for conceptual work is, I believe, the area of nuclear production. Here my observation is that we so far lack an understanding of the issue within the framework of critical economic theory, as is true for arms' trade between North and South. Whereas prominent Marxist economists did theorise the military sector and the place it came to occupy from the 'Second' World War onwards, none to my knowledge addressed the nature of nuclear production which was born in the very same war period. Still, the brilliant tools of analysis devised by Karl Marx can well be employed to conceptualise the issue of military and civilian nuclear production. Starting point for the theorisation of nuclear production should be Marx's formula for the individual circuit of capital, contained in Part One of Capital II. This formula highlights the metamorphoses of capital which each individual company or entrepreneur needs to undertake in order to manufacture new commodities.

Marx's formula can well be adapted so as to bring out the extraordinarily wasteful character of capitalist production, and of manufacturing in the nuclear production chain in particular. Production of the nuclear sector consists first in production of weaponry, i.e. social waste, such as the manufacturing of plutonium, the very most toxic material in the world, for atomic bombs. But production in the nuclear sector also consists in the generation of nuclear energy, which however inevitably results in non-commodity waste along with the commodity nuclear energy, and this at each and every link in the chain of nuclear production. Experts on the sector speak of low-level, intermediate-level, and high-level waste, the latter posing problems for human health and our natural environment lasting into an indefinite future. Whereas Marx spoke of the outcome of industrial production as one that can be sufficiently stated as C' (commodities with added value), the example of the nuclear sector forces us to envisage an outcome which under all circumstances includes – W (non-commodity waste).

At the beginning of the new millennium, the question of nuclear production, which is the outcome of faulty human decisions taken more than half a century ago, primarily by US policymakers, continues to be of immense actuality. Although nuclear production has been discredited in the eyes of the public in central economies, a vast expansion of this form of entirely harmful production has meanwhile taken place in Southern continents, for instance in Asia. The South-Asian nuclear states, India and Pakistan, could well be provoked into using nuclear bombs for mass destruction in enemy states by a hyperpower out to prevent the rise of Asian powers in the world system. Meanwhile, president Bush of the United States, which country reportedly is responsible for 90 percent of nuclear

waste production worldwide, has voiced the mad idea that American corporations should construct one hundred new nuclear reactors. All this sufficiently underlines the urgency that nuclear production be conceptualised within the framework of critical economic theory.

5. I would like to end with an appeal. In the worldwide resistance against the detrimental effects of globalisation, the question of militarism needs to be addressed much more prominently than has been the case so far. In this statement, I have endeavoured to sketch several lines of approach. One approach would be to take the US's military budget, and the incredible amount of waste of economic resources it entails, as a starting point. However, we need an approach towards militarism which is more comprehensive, and which includes other effects of militarism on Southern peoples and economies. Hence, I suggest to, also, address the issues of the trade in arms versus raw materials, and of nuclear production, which issues have an immediate bearing on the situation in Africa and in South Asia. My hope is that the World Forum for Alternatives will take a leading role in addressing these issues, and that it will pose them both from a programmatic and from a conceptual point of view.

Dr.Peter Custers
Director
Bangladesh People's Solidarity Centre (BPSC)
January 13, 2002