Political Economy of Imperialism in Iraq

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Abstract
The growing influence of America in the global economy coupled with her protectionist policies in the recent time have put pressure to comity of transitional states especially African and Middle East. The invasion of Iraq by America is the driven factor of former’s oil deposits that had been a source of interest to America. Meanwhile, Americans had over the years accused Iraq of harboring Weapons of Mass Destruction, an antic for her imperialist expedition. However, it is against this backdrop that the study geared toward appreciating co-factor variables of imperialism that had influenced American’s interest on Iraq and the attendant implication to the economies of two actors. The paper utilized mixed method approach and analyzed using analytic induction. The theoretical framework of analysis was anchored on the economic radical theory, a strand of Marxian theory of economic structuralism. The finding of the study reveals that despite the established Westphalia Treaty of 1648 on the sovereignty of nation states, Americans had devoid odds and invaded, plundered the economy of Iraq. The paper strongly recommends among others; sanctioning of America for neglecting the world standing order on sovereignty of states. Also, Iraq needs to be compensated by America through reconstruction and rehabilitation.

Keywords: Nuclear weapon; Oil; Political economy; Power; War.

1. Introduction
The emerging state of Iraq with a total area of 438 320 km² is bordered by Turkey to the North, Republic of Iran to the east, Persian Gulf to the southeast, Saudi Arabia and Kuwait to the south, and Jordan and the Syrian Arab Republic to the West (AQUASTAT Survey Reports, 2008). Geographically, Iraqi relief is being shaped like a basin, consisting of the Great Mesopotamian alluvial plain of the Tigris and the Euphrates rivers. This plain is surrounded by mountains in the north and the east which reaches altitudes of 3,550 meters above sea level and desert areas in the south and west which account for over forty (40) percent of the land area (Badry et al., 1979).

Furthermore, according to Fisher (1994), the predatory state of Iraq is divided into eighteen governorates of which three gathered in an autonomous region in the north and the other fifteen governorates are in central and southern parts of Iraq. These divisions correspond roughly to the rainfed northern agricultural zone and the irrigated central and southern zone. Also, it is estimated that about twenty (26) percent of the total area of the country are cultivable. The remaining part is not viable for agricultural purposes but situated along the extreme northern border with Turkey and the Islamic Republic of Iran (AQUASTAT Survey Reports, 2008). The total cultivated area is estimated at about six (6) million hectare, of which almost fifty (50) percent in northern Iraq is under rainfed conditions. Importantly, livestock grazing occurs throughout all agricultural zones, but, it is more widespread in the north where hillside grazing prevails. Small ruminants are the main livestock species and the beef cattle have remained the traditional source of dietary protein for most Iraqis and poultry production occurs in close proximity to urban centers (Raymond, 2007).

However, according to the reports of Food and Agricultural Organisation (FAO, 2003), it maintained that Iraq’s Gross Domestic Product (GDP), rose to the level of US$25.9 billion in the year 2000 with an annual rate growth of -4.3 percent. Demographically, the active population of Iraq is about 8.2 million in the year 2005 of which 78 percent was male and 22 percent female. In agriculture, 0.7 million inhabitants are economically active, of which 45 percent male and 55 percent female. While the agricultural labour force represented 31 percent of the economically active population in 1975, it decreased to eight (8) percent in 2004, partly due to the introduction of agricultural mechanization, the development of education and health services in the urban areas and increased job opportunities which encouraged rural–urban migration. Likewise, in 1989, agricultural sector solely contributed 5 percent to GDP which was dominated by oil production in the year 2000. Moreover, the natural endowments in Iraq particularly, her oil deposit has become a driving factor for pulling rival interests from the west. Likewise, the economic interest of China in the recent time on the economy of Iraq has changed the nature and dynamics of American’s invasion of Iraq, and this has increased the trend of new imperial engagements and tactics. The bids to reconstruct, rehabilitate and entrench democratic rule in Iraq after invasion by America were seen as process of creating new empires.

The recent review by United States’ Energy Information Agency (EIA), noted that Iraq has about 10 percent of the world’s oil proven reserves and resources, and its oil production in 2000 and 2001 was averaged around 2.5 million barrels per day (mbpd). About one mbpd of this came from the Northern Kirkuk field located largely in
Kurdish Iraq, and the balance was produced largely in the southern, Shiite-majority Rumaila region [http://www.eia.doe.gov/em]. The large amount of oil deposits in Iraq has frequently implicated her attempt to use oil as a weapon against the West. Importantly, in the early 2002, contracts involving billions of dollars for increasing capacity have been negotiated with China, France, and Russia. The three countries are suspicious of American economic designs on postwar Iraq, particularly given the powerful influence in Republican circles of construction and oil exploration companies like Bechtel and Halliburton [http://www.eia.doe.gov/em].

2. The Nature and Dynamics of American’s Interest in Iraqi Economy

The imperialist drive for American’s global capitalist interest in Iraq remains a contestation among scholars. The obvious materialist explanation for the war is the large oil reserve in Iraq shores. To understand the real motive behind the war and why Bush administration saw an attack on Iraq as the solution to US problems, the need to shift the focus from security threats to US strategic situation in the Middle East and its hegemony over the oil market. The US import dependence was rising in an ever-tighter oil market with global production seemingly peaking, hence shifting the balance of power toward oil producers (Duffield, 2005). The condition has potentially made United States and the world capitalist economies vulnerable to oil shock, and fatal for US presidents’ re-election prospects. Iraq was a solution to these potential threats for it is the world’s second largest oil reserves and very low production costs.

However, as long as the President, Saddam Hussein was in power, its oil could not be used for US purposes, sanctions the US believed was essential to contain Saddam. If Saddam were to find some way to overcome them and get out of isolation, risk increased that he would try to use Iraq’s oil for political advantage, as he had tried to do before, specifically by seeking to make access to oil contingent on US policy in the Arab–Israeli conflict. From the above analysis, it can be premised that the US and the UK with the supports of their allies invaded Iraq despite knowing very well that it had no Weapon of Mass Destruction. They only wanted to secure access and control the world’s second largest oil reserve which would aid them in counteracting the rising trade competition and powers of emerging industrial countries like China and India. According to Bamford (2004), the heavy reliance America on her technologically advanced military arsenal and defying UN resolutions and turning deaf ears to worldwide protest marches made America to invaded Iraq in the disguised reasons of war for self-defense, need to spread of democracy and fight against terrorism while employing their imperialist ambitions and designs to dominate world trade in oil production and supply.

Harding (2004), noted that the imperialist forces causing the devastation of Iraq and other areas in the Middle East evolved through the workings of capitalism. The war in the Middle East especially Iraq is the product of the system, a new world order that will arise with the demise of capitalism as a system of global production. The changes at the end of the Cold War would usher in a new world order in apposition ushered in a mutation of old world order. This is as result that capitalism has remains the global system of production and drives imperialism to remain unaltered.

2.1. Autocratic Governance Crisis of Legitimacy and Regime Change in Iraq

The increasing forces of liberalism characterized with heightened democracy and democratization has continued to influence the existing autocratic structure established in Iraq over the decades. The Iraq invasion has been shown to be consistent with the longer term US policies of supporting the growth and spread of democracy in foreign countries. The U.S. goals initially were to create a stable, model democracy that is at peace with its neighbors, free of Weapon of Mass Destruction, and an ally of the United States. However, according to speech of the former American president in November 30, 2005, titled “Strategy for Victory,” the administration’s goal was aimed to create an Iraq that can provide for its own security and does not serve as a host for radical Islamic terrorists. The Administration believes that over the longer term, Iraq will still become a model for reform throughout the Middle East and a partner in the global war on terrorism. The above implicated the growing debate over whether U.S. policy can succeed in establishing a stable and democratic Iraq at an acceptable cost. The political transition in post-Saddam Iraq has moved forward, but insurgent violence is still widespread which stands to thwart the working of democracy [http://www.whitehouse.gov/news/releases/2005/06].

Furthermore, the Bush administration had advanced the importance of democracy as a value in itself and as institutional arrangement to such an extent that open aggression, to him, was even necessary to install it in Iraq. Thus, for Bush and US government, regime change became the justification for war in order to topple Saddam Hussein’s oligarchic control and replacing him with a competitive party representative democracy (Scott, 2005). This was meant to fulfill one of the responsibilities of the US as super power and as a leader in entrening and defending freedom and democracy around the globe. It has been internationally acknowledging that democracy is about peace, justice, respect for human rights, sovereignty of nations and freedom. These virtues were not recognized and respected by the US and the UK administration in terms of their action against Iraq (Harding, 2004).

Corroborating the above Leverette (2005), maintained that US invasion of Iraq portrays an objective way of establishing a democratic government to act as a model and has transformative effects across the Middle East region. He further envisages that Bush’s administration articulated a vision of democratic and market oriented reform for the Arab and Muslim world, ascribing a higher priority for promoting positive internal change in the Middle East. The invasion has been shown to be consistent with the longer term US policies of supporting the growth and spread of democracy in foreign countries.
2.2. Iraq and Growing Military Threat to American State

The military-industrial relations and level of arm racing in the Middle East has become a terrifying threat that disturbed America from sleeping with her two eyes closed. The accusations and counter accusations making the scene that Iraq has succeeded in building a Nuclear weapon has become a great concern to America and the world. The evidence can be reminisced by United States support to their claims about the presence in Iraq, a high volume of Weapons of Mass Destruction, production of such weapons and existence of links between Iraq and terrorism. In addition, Bassil (2012), maintained that some elements caused the questions calling for the real motives of the intervention such as links between the neo-conservatives in power in Washington and the oil companies, including Carlyle Group, Enron, Halliburton Energy Services and Unocal; links between the neo-conservatives in power in Washington and subcontractors of the army and Iraq's decision not to argue against its oil currency in dollars but in Euros.

It important to recount that the Iraq's Weapons of Mass Destruction Programs were very clear since the end of inspections in 1998 and in violation of the rules of the game and resolutions of the United Nations. But, despite odd and implicates of such, Iraq has maintained its chemical weapons project and continued to produce missiles and invested more in biological weapons. Many factors including America specialists had considered that Iraq had obtained Uranium tubes from Niger in the 1990s, resumed production of chemical agents, conservation, and development of missiles (CIA Report, 2002). In September 24, 2002, Niger's Uranium was mentioned in a British report, this indicated that Iraq was attempting to provide Uranium from African countries. In January 2003, George W. Bush used the British report to prove to the United Nations that Iraq recovered its nuclear program which was compared with the documents provided by Iraq to the United Nations after the Gulf War in 1991 (Wilson, 2003).

2.3. The Cost Benefits and American’s Imperialistic Tendencies in Iraq

The quest by America to whittle with Iraq had attracted myriad extrapolations amongst many scholars and experts in the areas of international political economy. Many analysts are of the opinion that the invasion of Iraq by America and its ally, United Kingdom has brought about democracy and subsequently, elections were organized in to government positions. In other hand, other postulations of scholarship had argued that the invasion of Iraq was strictly for large oil deposit and reserve which America had been targeting for decades without until the force invasion of Iraq. The assessment of the costs of war with Iraq is based on scenarios for the conduct of the war, aftermath of hostilities, impacts on related markets, and macroeconomic impacts (Nordhaus, 2002). Accordingly, it is assertive that the economy of the defeatist Iraq has increased tremendously in the recent time; and the dramatic increase in its Gross Domestic Products (GDP), was as a result of the economic sanctions and investment for the reconstruction and rehabilitation of Iraq which amounted to $18.4 billion in 2002, and $ 47 billion in 2006. The number of private businesses in Iraq increased from 8,000 in 2003 to 35,000 in 2006 following the liberalization of the economy (Bassil, 2012).

Consequently, the war has claimed thousands of casualties on Iraqi side and many refugees had lost everything while fleeing their country to Syria, Turkey and Iran; totaling about 200,000 Iraqi refugees. There were a lot of damages to civilian infrastructure which included health services, roads, power plants and communication centers are destroyed. However, in his speech on October 28, 2006 before the House of Representatives of the United States, Honorary Senator of Massachusetts, James P. McGovern, estimated the total cost of the war to 246 million per day ($ 2,847 per second). He recalled the direct costs which do not represent the total costs amounted to 20 billion, 2005: $ 87.3 billion, and 2006: $100.4 billion (Gelpi, 2006). Despite the cost incurred by America in the cause of the war with Iraq, American had stood the chances to loot the oil reserves of the former to their detriment. The involvement of America in the post war reconstruction of Iraq has added adequately to the economy of America amounting to billions of US dollars.

3. Theoretical Framework and Debate

The appreciation of the invasion of Iraq by America has in the recent time engaged the attention of scholars on the perspectives and drivers behind such imperialism. The phenomenon has added an affair of theories for explanation and understanding of the structure, organization and execution of Iraq war. Notwithstanding, a lot of theories are abounding; power theory, stakeholders’ theory, institutional school of thought etc, but peculiarly in the study is the use of Economic Radical Theory, a strand of Marxian theory of Economic Structuralism. The theory of economic structuralism was propounded by Routke (2001), in his magnum Opus titled International Politics on the World Stage. He maintains that the exploitation and control of the least developed countries by the economically developed countries is necessitated by the latter’s need for steady source of primary products (raw materials), external markets and low labour from the former.

The major assumption and propositions of the theory of which had been validated by the writing of Ezeibe (2014), include among others;

- Political behavior is driven by economic motivations and political outcomes are determined by economic power. Hence, it believes that economic structures determine politics.
- That the world is divided not just into countries, but classes with opposing economic interests.
- It contends that the world is divided into the have and the have-nots. The rich capitalist states are always trying to gain as much wealth as possible from the poorer states while the poor states try to obtain fair share of the profits from commerce.
Like some of the pioneers of development economics, structuralists conceived foreign trade as a zero sum game, enabling the rich advanced capitalist countries to prosper at the expense of the poor backward ones. It further advanced that the core determines character of the superstructure, hence, the past, present and the future are shaped by economic struggles.

The assumptions form the fundamental basis for the invasion of Iraq by America. The motivation of America to Iraq was the product of American’s foreign policy occasioned by her political behavior which its outcome always reflects economic interests. It is the large deposition of amount of oil reserve of Iraq that derived America to breach the sovereignty of Iraq, accusing the later of building formidable nuclear weapon of mass destruction. For the fact that America did not sanction Niger Republic for being accused of supplying Iraq with Uranium for the building of the nuclear war knowing full well that Niger has no oil deposits implicated American’s vested interests. The fact has remained that the rich capitalist states are always advancing to gain as much wealth as possible from the poorer states which had orchestrated proto-colonial, neocolonialism and imperialism in the former colonies and emerging states.

4. Methodology

The appreciation of scholarship of this kind in the international scene has enjoined a lot of methods and methodology. For the purpose of the study, mixed method approach was appreciated. According to Creswell et al. (2003), mixed methods research is a research design with philosophical assumptions as well as methods of inquiry. As a methodology, it involves philosophical assumptions that guide the direction of the collection and analysis of data and the mixture of qualitative and quantitative approaches in many phases in the research process. As a method, it focuses on collecting, analyzing, and mixing both quantitative and qualitative data in a single study or series of studies.

Its central premise is that the use of quantitative and qualitative approaches in combination provides a better understanding of research problems than either approach alone (Elliot, 2005). Purposefully, mixed methods research provides more comprehensive evidence for studying a research problem than either quantitative or qualitative research alone. Researchers are given permission to use all of the tools of data collection available rather than being restricted to the types of data collection typically associated with qualitative research or quantitative research. Accordingly, mixed methods research encourages the use of multiple worldviews or paradigms rather than the typical association of certain paradigms for quantitative researchers and others for qualitative researchers. It also encourages us to think about a paradigm that might encompass all of quantitative and qualitative research, such as pragmatism, or using multiple paradigms in research (Creswell et al., 2003; Onwuegbuzie and Teddlie, 2003).

5. Data Presentation and Analysis

<table>
<thead>
<tr>
<th>Cost of War (Billions ), 2002</th>
<th>Low (Short and Favourable)</th>
<th>High (Protracted and Unfavourable)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Military Spending</td>
<td>$50</td>
<td>$140</td>
<td>1</td>
</tr>
<tr>
<td>Follow – on Costs</td>
<td>75</td>
<td>500</td>
<td>2</td>
</tr>
<tr>
<td>Occupation and Peace Keeping</td>
<td>30</td>
<td>105</td>
<td>3</td>
</tr>
<tr>
<td>Reconstruction and Nation</td>
<td>1</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Humanitarian Assistance</td>
<td>-40</td>
<td>778</td>
<td>5</td>
</tr>
<tr>
<td>Impact of Oil Market</td>
<td>-17</td>
<td>391</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$99</td>
<td>$1924</td>
<td></td>
</tr>
</tbody>
</table>

Source: www.state.gov/secretary/rm/2002/14563

The above table depicts the estimates of decadal costs to America of a potential war in Iraq. It was certain that the American government spent a total of Ninety-nine ($99) dollars as costs for short and favourable terms. On the hand, a total of One thousand nine hundred and twenty-four ($1924) dollars was spent on high protracted and unfavourable terms. The direct spending on the military costs was at a tune of $50 under low term and $140 under high protracted and unfavourable term. The occupation and peacekeeping costs were $75 and $500 under low and high terms. Likewise, reconstruction and nation building costs $30 under short and favourable term, while high protracted and unfavourable was $105. The humanitarian was $1 and $10 under low and high terms respectively. The impacts on oil markets and macroeconomic under short and favourable term were $-40 and $17 respectively indicating a negative position on oil market. On the other hand, the oil markets and macroeconomic impacts under high protracted and unfavourable term were $778 and $391 respectively.
Table-2. Showing the Vagaries on the Oil Prices, 2-9 Years

<table>
<thead>
<tr>
<th>Case</th>
<th>Value of Imports Costs, Billions, 2002 Prices</th>
<th>Oil Real Potential Outputs</th>
<th>Real National Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Price Shock</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First Year Impact</td>
<td>148</td>
<td>-27</td>
<td>-127</td>
</tr>
<tr>
<td>Impact of Years, 2-9</td>
<td>-134</td>
<td>-637</td>
<td>-603</td>
</tr>
<tr>
<td>Total Impact</td>
<td>114</td>
<td>-665</td>
<td>-778</td>
</tr>
<tr>
<td>Production Increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First Year Impact</td>
<td>-3</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Impact of 2-9 years</td>
<td>3</td>
<td>38</td>
<td>35</td>
</tr>
<tr>
<td>Total Impact</td>
<td>0</td>
<td>39</td>
<td>40</td>
</tr>
</tbody>
</table>


The table above shows the changes and vagaries in the production and marketing of Iraqi oil in the international market. The total value of imports for the first year impact and the impacts of two to nine years was $114, the real potential outputs was negative ($-665)$ and national income was also negative, $-778. The production increase under the value of imports was zero, which was very serious and detrimental to the economy. Also, the oil real potential output between the first year of impact and impact of 2-9 year after war was totaled 40. The total real national income under review was forty.

Table-3. Showing Production Rate Oil Before and After the War, 2002-2006

<table>
<thead>
<tr>
<th>Oil Production (1/06)</th>
<th>Oil Production (pre-war)</th>
<th>Oil Exports (1/06)</th>
<th>Oil Exports (pre-war)</th>
<th>Oil Revenue (2004)</th>
<th>Oil Revenue (2005)</th>
<th>Oil Revenue as of 1/11/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.81 million Barrel Per Day (MBD)</td>
<td>2.5 mbd</td>
<td>1.24 mbd</td>
<td>2.2 mbd</td>
<td>$17 Billion</td>
<td>$23.5 Billion</td>
<td>$400 Million</td>
</tr>
<tr>
<td>Electricity</td>
<td>Pre-War</td>
<td>Current</td>
<td>Baghdad (Hrs Per Day)</td>
<td>National Average (Hours Per Day)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8,300</td>
<td>3.7</td>
<td>1/06</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: www.state.gov/secretary/rn/2002/14563

The table above points to situational variables associated with oil production and marketing before and after the Iraq war. It is clear that the extent of oil production appreciated despite vagaries in the international prior to the invasion of Iraq. The margin of oil production before the war stood at 0.69 million barrel per day. Likewise, the export capacity was rose from 1.24 million barrel per day to 2.2 million barrel per day, making a positive contribution to the overall national income of 0.2. Also import is the total revenues that accrue to Iraq immediately after the war. It was very clear that the revenue that accrued and added to the national income of Iraq increased despite the acclaimed and counter claims of America in the oil production in Iraq. The oil revenue of 2004 fiscal year was 17 billion dollars which appreciated to 23.5 billion dollars in the year, 2005. This depicts an increase in sales and revenue that accrued to Iraq at 6.5 billion dollars marginal profit.

However, the vagaries in the international market as a result of over production as against OPEC standing rule and template rate contributed to the oil glut. This inconsistency affected the revenue that accrued to Iraq within the third quarter of 2006 fiscal year. The oil revenue depreciated from 23.5 billion dollars in 2005 to 400 million dollars in 2006 accounting year. This implicated both national income and the Gross Domestic Product of Iraq and America.

6. Findings of the Study

The system of relations in the international scene has remained struggle for the nation’s foreign policy and political economy. This was implicated in the invasion of Iraq by American and her ally, UK. America stood firm to project and maintains her stint foreign policy and economy, especially to the countries in the Middle East. It has been appreciated that states in the contemporary shall have respect for sovereignty of other states. But, the fact has remained that supra nation states are not attuned to the standing international order on sovereignty.

However, the findings of the study had adequately revealed that despite the established Westphalia Treaty of 1648 on the sovereignty of nation states, America had devoid all odds and invaded Iraq, thereby plundered her resources and economy. Also, quest to reconstruct and rehabilitate Iraq was swift design by America to have greater opportunity to extend her hand of fellowship to Syria in order to conquer and plunder its economy.

7. Result of the Findings

Arising from the findings of the study, the paper implicated that if proactive measures fail to curtail and regulate the science and behavior of states in the international system, most emerging democratic states are bound to fall victims of economic exploitation and subjugation. The exogenous factor variables that combined together, making
Iraq most interesting developmental state in the Middle East are highly pronounced in other countries of Sub Sahara which may steam-up promoting neo-colonialism. This prompted other developed states and forces to scamper and invade other small countries. The counter alliance of emerging power like Korea in the international scene stands to undermine the sovereignty of American state which if not checkmate could breed cold and world war.

8. Conclusion and Recommendations

The study of this nature has always put scholarship in to contestation of constant watch on the systems of relations in the international scene. The vested interests of developmental states in the emerging states in general and Middle East in particular have provoked enormous scholarship. It was on this frame that the thrust of the study appreciated the motivational factors and co-factor variables that had preempt the invasion of Iraq despite world standing order of Westphalia Treaty of 1648. Also, the paper enjoyed the consequences of the war on the sides of the actors involved in terms of abuses, damages and cost. The theoretical framework employed centered on the Economic Radical Theory (ERT), a variant of Economic Structuralism. The findings of the study implicated how the America had neglected and undermined the sovereignty of other states. However, arising from the results of the findings; the paper recommends the following:

- Sanctioning of America by United Nations for neglecting the world standing order on sovereignty of states. This help to deter other nation states from undermining the sovereignty of states.
- Also, Iraq needs to be compensated adequately by American government through reconstruction and rehabilitation.
- The Middle East should as a matter fact start consolidating on intra region cooperation and their member states should forge their foreign policy toward a common goal.

References


