

Editorial

AN EMPIRE IN DENIAL: THE USA IN IRAQ

Today the Western political elite is metaphorically lost. Without a plan, vision or ideology they argue for the implementation of apolitical, technical solutions to solve the problems of the world. As a result of this lack of ideology the traditions of empire have been inexorably altered. Gone is the focus on Western ethnic 'superiority'; but in its place other equally discordant mechanisms of control have evolved in the form of 'capacity building' and 'local ownership'. In essence it can be argued that we are currently in the era of Empire in Denial: as attempts by states to deny the power that they possess and avoid the responsibility for its exercise. This issue of ConflictINFOCUS argues that the policies that states adhering to Empire in Denial follow, can lead to mass instability as evidenced most starkly by the current situation in Iraq.

Building on the Iraq focus of Issue 17, this issue draws together a series of arguments that questions the assumptions of traditional realist critics of the Iraq war who believe that the war was fought to impose empire for the purposes of controlling oil. The papers propose that the current situation in Iraq is not the result of strategic objectives gone wrong but of political elites following short-term value systems directly linked to their lack of political ideology. Whereas previous colonial rulers were characterised by strength of vision and purpose, however repugnant, the current colonial regime in Iraq is defined by a clear lack of ideology and strategic intent.

Iraq's occupiers have the power of traditional colonial rulers yet, despite their grand standing rhetoric, they are unwilling to accept the responsibility for their actions. As soon as it became viable the occupiers transferred sovereignty to the newly formed Government of Iraq, thus limiting the criticism they could receive about the reconstruction process. This avoidance of responsibility in the reconstruction of Iraq has exacerbated the problems that exist and has helped lead Iraq into its current state of massive public unrest and potential civil war.

Professor David Chandler, from the University of Westminster, UK has been the main intellectual driving force behind the formulation of the concept of 'Empire in Denial' and will lead off this issue by elaborating on its theoretical background before arguing that the search for and promotion of values rather than the pursuit of strategic interests in foreign policy has helped extend instability in Iraq.

Dr. Aidan Hehir from the University of Sheffield, UK will discuss the use of private military corporations (PMCs) in Iraq and will argue that their use raises significant questions about the humanitarian qualities of the occupation. He goes on to suggest that the use of PMCs has added further credence to the concept of Empire in Denial.

Finally, Mr. Darren Atkinson from the Regional Human Security Centre, Amman will develop the Empire in Denial thesis by arguing that the reconstruction process in Iraq provides one of the main rubrics through which the occupying powers have attempted to evade the responsibility for empire.

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EMPIRE IN DENIAL: FROM BOSNIA TO IRAQ

David Chandler*

Introduction

Stability in the Middle East depends greatly on the restoration of stability in Iraq and on future US and European policy in the region. This paper suggests that US and European policy in the Middle East is dangerously unpredictable and destabilizing. It argues that the reason for this is that foreign policy interventions are increasingly framed by the search for and promotion of values rather than by the pursuit of strategic interests. Whereas policy based on long-term interests implied Western powers taking responsibility for policy intervention, current interventions are poorly cohered through the discourse of 'values' and tend to reflect short-term concerns about self image and the desire to both intervene (at the level of rhetorical declaration and policy practice) and yet to deny the consequences of these interventions and evade accountability for them. The framework for understanding this destabilizing framework, offered here, is that of 'Empire in Denial'. Where imperial intervention shapes events on the ground and then seeks to evade its consequences and off load responsibilities leading to further instability.

War for Values

On 1 August 2006, UK prime minister Tony Blair made a major speech on foreign policy to the World Affairs Council in Los Angeles in which he declared that, looking back, the West's response, in launching the war on terror, had been a momentous one. One that was not fully recognised at the time: 'The reason I say our response was even more momentous than it seemed at the time, is this. We could have chosen security as the battleground. We didn't. We chose values.' For Blair, it was values that shaped the overthrow of the Afghan and Iraqi regimes: 'The point about these interventions, however, military and otherwise, is that they were not just about changing regimes but changing the value systems governing the nations concerned. The banner was not actually 'regime change' it was 'values change' (see also Blair, 2007).' The war on terror, which has shaped many people's understanding of international relations in the present decade, is seen by Blair to be more a battle over values than territory or geo-political influence.

While Blair puts a positive gloss on the 'value-based' approach to the war on terror, many other commentators have stressed the negative aspects of the US's 'ideological' approach to international affairs. The 2003 war and subsequent occupation of Iraq has been increasingly condemned for its neglect of interest-based policy-making and for the White House's alleged 'ideological'

refusal to plan ahead or to consider facts on the ground which challenged their idealised view of events (see, for example, Packer, 2005; Diamond, 2005). There seems to have been little interest-based rationale in US policy-making in Iraq as manifested in the twists and turns of US policy, and the desire to hand over political responsibility for the impact of the war and the consequent collapse of the Iraqi state, manifested in the farcical and closely guarded 'handing back' of Iraqi sovereignty in June 2004.

The 2003 US-led invasion of Iraq was marked by its nature as a 'war of choice' rather than a war of necessity. Despite the talk of weapons of mass destruction, this was presented as a non-traditional war, fought 'for not 'against' the people of Iraq, as indicated by the US military mission title 'Operation Iraqi Freedom'. The non-traditional nature of the war was highlighted by the US government's ban on the coalition forces raising national flags and the rapid removal of the Stars and Stripes when it was displayed by victorious US forces. Victory parades were also banned in New York and London. If the war was a victory it was one which the coalition forces felt uncomfortable proclaiming and celebrating, seeking rather to efface their role in shaping Iraq's future. The US-led occupation of Iraq was also shaped by a similar denial of both the facts on the ground and of overt political responsibility (in strong distinction to the post-World War Two, US-led occupations of the defeated Axis powers Germany and Japan). Sunday Times and Guardian columnist, Simon Jenkins, aptly describes US forces' role in Iraq as being unlike a traditional occupation force and describes their activity as more like a military squat:

While some rural areas are relatively safe there is no such thing as national security. Iraq's borders are porous. Crime is uncontrolled. The concept of an 'occupying power' is near meaningless... Money is sprayed at sub-contractors (much of it stolen), but America exerts no executive power outside the capital. It imposes no law and order and cannot even protect infrastructure. This is not an occupation. It is a military squat... In reality the occupation cut and ran from Iraq in the course of 2004. This was when the Americans and their allies abandoned the policing of towns and cities and retreated bruised to more than 100 fortified bases. (Jenkins, 2006)

Without an overall strategy the main concern of international interveners has been to go to Iraq and come back again with minimal cost. In many ways, the lack of direction of policy in Iraq mirrors that of US and European intervention in the Balkans, where the talk of human rights and democracy has resulted in nominally sovereign states, such as Bosnia and (soon) Kosovo,

* Professor of International Relations at the Centre for the Study of Democracy, University of Westminster

overseen by external powers and military forces which seek to deny their responsibility for interventionist policy outcomes. In this framework, huge US military bases, such as Camp Bondsteel in Kosovo, can be seen more as illustrating the desire to do avoid engagement with Balkan society rather than as harbingers of any direct form of US domination and occupation.

Empire in Denial

In many ways, the emphasis on values, vis-à-vis interests, has been the dominant theme of international relations since the end of the Cold War. The decade of the 1990s was shaped by the experiences of intervention and non-intervention in relation to human rights abuses, closing with the Kosovo war in 1999, which Blair famously described in similar terms as a war fought 'not for territory but for values'. It would seem that the Cold War world of *realpolitik*, in which interests of state security were considered primary, has been transformed into the post-Cold War world of value-based policy-making in which security has been redefined in terms which see the security of regions of the world as interdependent, rather than conflictual, and the issues of concern extended away from external threats in the military sphere to internal questions of democracy, good governance and relief from poverty.

During the Cold War, only small, relatively wealthy, Western states which lacked a large independent military capacity and had few interests at stake overseas, such as the Scandinavian states, took an ethical or values-based approach to international affairs, which presumed that they could have little determining influence on the key security concerns or on shaping the international agenda. Today, it appears that what was once a marginal position is now mainstream, with major Western military powers, projecting their power in apparently disinterested value- or norm-based terms, as if they were merely 'nuclear Norways'.

Rather than understanding the value-based approach to international intervention as an ideological cover for traditional interests, it makes more sense to see it terms of 'Empire in Denial'. Empire in Denial sums up the contradictory process whereby the inability of ruling elites to wield power confidently with a clear political project impels them to attempt to act in the international sphere while denying political responsibility for either a positive programme or the outcomes of their policy interventions. It is the incapacities of Western elites that provide the specific content to twenty-first century ethical or values-based agendas, which have become so destabilizing in many regions of the world.

A World without Meaning

In his seminal book, *A World without Meaning*, French

theorist Zaki Laïdi argued that the post-Cold War era has been marked by 'the gap between power and meaning', i.e. that political subjectivity, the capacity of Western political leadership, has been fundamentally undermined with the end of the geo-political divide of the Cold War. Without a forward-looking political project the projection of power in the international sphere lacks any ends-based meaning or purpose. Instead, it is the subjective intentions of state-actors which are prioritised above any broader strategic or long-term policy-making:

There is no longer any distance between what one does and what one aspires to. This confusion is of great concern because it appears to give states authority to be free of political perspective... Thus our societies claim that the urgency of problems forbids them from reflecting on a project, while in fact it is their total absence of perspective that makes them slaves of emergencies. (Laïdi, 1998: 11)

Rather than justifying policy in terms of strategic practical ends - the traditional interest-based understandings of the past - policy is increasingly justified in moral or value-based terms, giving legitimacy to declarations or actions in and of themselves. In Weberian terms we have the 'ethics of commitment', the reliance on the statement of good intentions, rather than the 'ethics of responsibility', the desire to link aims with policy means. Under Empire in Denial the focus is on abstract values and ambitious aims, the policy of intent and declaration, rather than on taking responsibility for outcomes. Power is still projected internationally (and enforced domestically) but it is power which increasingly seeks to deny itself and, in lacking a clear purpose, seeks to engage idealistically rather than strategically with the world.

The Evasion of Responsibility

What is projected internationally is not a clear set of interests but a set of idealised aspirations. This makes both the formulation of policy and any strategic or long-term coherence problematic and results in both the development of policy and its implementation taking an irrational and ad hoc character. This is expressed in the contradictory process where political elites are keen to express the rhetoric of high moral responsibility in the international sphere but are reluctant to take responsibility for either policy-making or policy outcomes. This is reflected in three trends:

Firstly, the desire to act collectively, rather than unilaterally, to evade policy responsibility; this is seen most clearly in the desire to 'internationalise' any intervention and in attempts to talk-up the importance of 'global' problems and pass organisational responsibility to the UN or other transnational actors.

Secondly, there is a tendency for government leaders, think-tanks and policy pundits to focus on problems

which can have no foreseeable immediate solution, making the impact of particular policies impossible to judge, for example, in relation to the 'war on terror', the 'war on poverty', or the war for 'climate security'.

Thirdly, there is an increased tendency to pass responsibility on to those with least influence, seen clearly in World Bank and IMF claims of 'country ownership' and in the focus on state capacity-building, where increased external intervention is repackaged as strengthening the 'sovereignty' of non-Western states (see further, Chandler, 2006).

Conclusion

The 'wars of choice', alleged to be fought for values not traditional national interests - humanitarian intervention in the 1990s and the wars of 'regime change' under the rubric of the war on terror in the present decade - are essentially wars which express the crisis of Western elites. These wars of choice lack strategic interests and long-term planning and are posed in terms of concern for the 'Other' - victims of oppression in the Balkans or the Middle East - rather than in terms of traditional national or strategic self-interests. While claiming the moral high ground for intervention in claims of promoting peace, democracy and progress, Western interveners have been unwilling to confront the consequences of their interventions and have sought to distance themselves from practical and policy responsibility. It is for this reason that the US occupation in Iraq is an occupation in denial and the US commitment to Iraq has never been a strong and consistent one but one marked by contingency and indeterminacy. ■

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WHO GUARDS THE GUARDIAN'S GUARDS? INTERNATIONAL ADMINISTRATION AND PRIVATE SECURITY IN IRAQ

Dr Aidan Hehir*

Introduction

The situation in Iraq is the most pressing issue facing the international system. While the defeat of the Iraqi army was relatively swift the occupation has proved significantly more difficult. The manner in which the US-led coalition has attempted to maintain peace and security in Iraq raises significant questions regarding the relationship between the citizens and the forces charged with protecting them. This article will explore the use of private military corporations (PMCs) in Iraq and argue that this adds further credence to the notion of 'Empire in Denial'.

Invariably one of the earliest lectures first year political science students attend focuses on the nature of the state. Here they will be presented with the standard Weberian formulation suggesting that an intrinsic characteristic of the state is its monopoly on the use of force. Accordingly the state provides security for its citizens against both external and internal threat and the tenets of sovereignty, under positive international law, determine that no actor can exercise legitimate jurisdiction within another state. Indeed 'failed states', phenomena of increasing currency in contemporary international relations discourse, are deemed to be those states which do not exercise exclusive coercive authority within their territory and hence lose their status as states. This conception of statehood is contrasted, however, by many contemporary 'states' where international state-building efforts have undermined many aspects of conventional sovereignty and the state's monopoly on the use of force in particular.

State-Building

The remarkable rise of state-building in the post-Cold War era has challenged our understanding of the contemporary state and the motivations of the newly dominant West. Western interventions, whether legitimised as humanitarian crusades (as in Kosovo in 1999), acts of self defence (as in Afghanistan in 2001) or part of the 'Global War on Terror' (as in Iraq 2003) have each been succeeded by the establishment of an international administrative framework. Proponents of state-building argue that such administration, incorporated into the just war framework as *jus post bellum*, is necessary to facilitate the transition from conflict to peace. Without the exercise of (ostensibly) temporary international oversight, supporters argue, the enmity caused by the initial conflict would cause political inertia, economic stagnation, societal dissonance and ultimately a return

to war. In recent years some have come to question both the record of international administrations in achieving the normalisation of life in post conflict societies and also the very accuracy of the benevolent motivations articulated by state-builders.⁽¹⁾ It is tempting to see the increase in Western interventionism and administration as indicative of a new age of Empire. Indeed many of the most high profile critics of Western foreign policy, such as President Chavez of Venezuela and Professor Noam Chomsky, articulate just such a perspective.

However the denial of power evident in these state-building administrations undermines the new Empire thesis. The administrators in fact seek, as Chandler notes '...to reject, rather than welcome, the responsibilities of power. Conceptualising the present policy as 'Empire in Denial' Chandler highlights the paradox of the West '...asserting power and influence but desiring to hide behind forms of formal sovereignty' further noting how the administrators '...need to create fictional partners and phantom states to bear the political responsibilities of the post-Cold War order.'⁽²⁾ This is evident in Bosnia, Kosovo, Afghanistan and Iraq where, following the interventions, an international administration was established but great emphasis was simultaneously put on the competencies and responsibilities of newly constructed local administrations despite their lack of genuine power. Thus the fiction of local ownership is given institutional expression while real power is vested in the unaccountable international administration. The benefits of such an arrangement are clear; power is exercised but responsibility evaded. Phenomena such as corruption in Bosnia, inter-communal violence in Kosovo, political stagnation in Afghanistan and insecurity in Iraq can thus be blamed on the local governments and the 'ancient ethnic hatreds' intrinsic in these 'divided societies'. Additionally the fiction of independence and hence choice is maintained; though clearly guided towards a pre-determined goal by the international administration, the local institutions appear to be exercising free will. In reality in Bosnia, Kosovo, Afghanistan and Iraq significant powers vested in the international administration enable coercive measures to be employed if local institutions deviate from the pre-ordained path.

According to Chandler the handover of sovereignty in Iraq in June 2004 is indicative of this desire to create the

* Lecturer in International Relations at the University of Sheffield

(1) For a combination of these critical perspectives see Aidan Hehir & Neil Robinson (eds.) (2007) *State Building: Theory and Practice*, London: Routledge

(2) David Chandler (2006) *Empire in Denial: The Politics of State-building*, London: Routledge, pgs. 19 & 47

illusion of local ownership and ...driven by the US desire to escape political responsibility for the outcome of the war rather than any concern for the democratic rights of the Iraqi people.⁽³⁾ In Iraq the relationship between the people, their Iraqi rulers and the international administration corresponds readily to a hierarchical model lacking accountability and traditional democratic practices. The lack of accountability is perhaps most pronounced in the area of domestic security. Here an additional layer, namely private military corporations, has been introduced creating further distance between the international administration and the security apparatus on the ground.

Private Military Corporations

Presently there are over 90 PMCs operating in 110 countries worldwide. It is estimated that the industry is worth \$100 billion per year and in 2001 global outsourcing of security exceeded \$1 trillion. The PMCs of the contemporary era are a far cry from the popular image of mercenaries as blood thirsty brigands. Many provide specialist training as opposed to actual soldiering and present a respectable corporate image. According to the Center for Public Integrity, since 1994 the US government has entered into over 3,600 contracts with PMCs at a cost of over \$300 billion. PMCs are also used by so-called weak states combating internal threats - Executive Outcomes, a British based organisation, has worked for the governments of both Sierra Leone and Angola.

The prevalence of PMCs has increased markedly since the end of the cold war for a number of reasons. The post 1991 downsizing of state armies led to the creation of a number of PMCs comprised of newly unemployed soldiers while the proliferation of weaponry, especially small arms, enabled a number of these groups to acquire significant military capability including in some cases fighter jets and tanks. The transformation in the nature of warfare has also added to the appeal of PMCs; wars have become more technocratic, the impetus for warfare has become more profit-orientated, the scale of warfare has reduced, and the need for specialised skills increased. Ideologically, the triumph of capitalism in 1991 led to increased privatisation - with privatisation occurring in many areas traditionally the preserve of the state, such as healthcare and education, it was not difficult to consider the security sector as similarly ripe for exploitation. PMCs have thus be seen as ...the ultimate representation of neo-liberalism.⁽⁴⁾

There is an obvious attraction for states considering international engagement to use PMCs. As Brayton suggests, ...for the risk averse - like the [US] Department of Defence - employing private contractors can help to overcome political reluctance to becoming involved in

situations where risks are high and there is little domestic support for the involvement of national troops.⁽⁵⁾ In this vein, Timothy Spicer, co-founder of Aegis Specialist Risk Management states, ...armies have gotten smaller and live footage on CNN of US soldiers being killed in Somalia has had staggering effects on the willingness of governments to commit to foreign conflicts. We fill the gap.⁽⁶⁾ In addition to this capacity to reduce the so-called 'body-bag effect' the use of PMCs enables those hiring them to evade responsibility for certain activities; Jackson describes PMC's as, ...the new world orders mercenaries...[they] allow governments to pursue policies in tough corners of the world with the distance and comfort of plausible deniability.⁽⁷⁾

Security in Iraq

At present it is estimated that there are over 20,000 private security personnel operating in Iraq for groups such as Global Risk International, Kellogg, Brown and Root (owned by Halliburton) and Custer Battles. These organisations are employed to carry out tasks such as providing security for key buildings, like the US Embassy in Baghdad, and various construction projects. Much of the actual security work is contracted out by the PMCs to firms based in the Middle East such as First Kuwaiti General Trading and Contracting who employ workers from countries such as Nepal, Pakistan and the Philippines.

The activities and nature of these organisations have been exposed negatively in a number of instances. A US army led investigation found that staff employed by a number of PMCs were inadequately vetted.⁽⁸⁾ Herring and Rangwala note that security personnel employed by this PMC ...are suspected to have been among those who participated in and encouraged the torture at Abu Ghraib and in June 2004 the US based Center for Constitutional Rights brought an action against Titan Corporation for the abuses at Abu Ghraib.⁽⁹⁾ Yet the accountability of these organisations to the Iraqi people was explicitly compromised by the US-led administration. Coalition Provisional Authority Order Number 17 gives coalition forces immunity from

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- (3) Ibid, p. 167
 - (4) Kevin O'Brien (1998) 'Military Advisory Groups and African Security', *International Peacekeeping*, 5/3, p. 89
 - (5) Steven Brayton (2002) 'Outsourcing War: Mercenaries and the Privatization of Peacekeeping', *Journal of International Affairs*, 55/2, p. 318
 - (6) Quoted in P.W. Singer (2001) 'Corporate Warriors', *International Security*, 26/3, p. 195.
 - (7) Richard Jackson (2006) 'Regime Security', in Alan Collins (ed.), *Contemporary Security Studies*, Oxford, p. 155
 - (8) Senate Armed Services Committee, National Defense Authorization Act, Senate Report 108-260, 108th Congress, May 2004, section 864
 - (9) Eric Herring & Glen Rangwala (2006) *Iraq in Fragments*, London, Hurst & Co., p. 192

prosecution in Iraq making them subject only to their domestic laws. A decree by the US bestows the same rights on PMCs. There is therefore an accountability gap between the international administration and the PMCs who in turn lack accountability to the people of Iraq. The nature of the state and its relationship to its citizens therefore constitutes a bizarre stratification of competencies; the Iraqi people elect a government though its sovereign powers are constrained by the US-led multinational forces which are not accountable to the Iraqi people. The US hires PMCs, themselves not accountable to either the people or government of Iraq, to provide security and these PMCs in turn hire regional recruitment firms who employ low cost workers from various impoverished states. The scope for a breakdown in co-ordination is obvious yet so is the capacity for actors at various levels, and the US in particular, to deny responsibility for the actions of their subordinate group. Juvenal's timeless query on the accountability of law enforcers and their relationship to the citizenry - *Quis custodiet ipos custodes?* (who will guard the guardians) - thus requires reformulation in the case of Iraq; namely who will guard the guardian's guards?

The Dangers of PMCs

There are clear problems with the use of PMCs. As Singer notes, while national armies (in theory at least) aim to prevent war, PMCs require conflict for their existence.⁽¹⁰⁾ In one of its promotional brochures Custer Battles notes, 'Iraq offers contractors, traders, entrepreneurs as well as multinational enterprises an unprecedented market opportunity. The ability to identify, quantify, and mitigate this myriad of risks allows successful organisations to transform risk into opportunity.'⁽¹¹⁾ This explicitly profit orientated conception of the situation in Iraq sits uncomfortably with the intervening coalition's professed humanitarian motivations. Given the material impulses driving the PMCs their centrality in the stabilisation efforts is obviously problematic; as Singer notes with respect to PMCs '...the locus of judgement shifts from the client to the PMC, the PMC [thus] becomes the agent enacting decisions critical to the security of the principal.'⁽¹²⁾ If the agents' motivations are profit orientated then, despite what the CPA may profess, security policy in Iraq will be orientated according to economic stimuli. This has manifested in Iraq in the poor working conditions for those employed by PMCs and the utilisation of insufficiently trained personnel with consequent implications for standards and adherence to the law, as exemplified by the Abu Gharib atrocities. As William L. Nash, a retired Army general and a senior fellow at the Council on Foreign Relations told⁽¹³⁾ the Washington Post in December 2006 'If you're trying to win hearts and minds and the contractor is driving 90 miles per hour through the streets and running over kids, that's not helping the image of the American army. The

Iraqis aren't going to distinguish between a contractor and a soldier.'

Power without Responsibility

States that exhibit an accountability gap between the rulers and the ruled are the antithesis of democracy. States which lack the capacity to control the groups charged with maintaining domestic security lack a basic tenet of statehood. Where the state is heavily influenced by an external coalition that employs private firms to undertake key security provisions the relationship between the citizens and those empowered to protect them becomes dangerously corrupted. Presently the nature of the multi-national coalition in Iraq and its utilisation of an extensive array of PMCs significantly compromises the Iraqi state and lends credence to the thesis that suggests the present Western international engagement is characterised not by the desire to seize and exercise power but rather the desire to establish a power structure that obscures the true locus of power enabling power to be wielded without responsibility. What then is the status of the present Iraqi state? Surely little more than a hollow juridical shell - a fiction enveloped by the shadow of unaccountable power. ■

(10) Peter Singer (2003) *Corporate Warriors: The Rise of the Private Military Industry*, Ithaca, NY: Cornell University Press, p. 40

(11) Quoted in James Tyner (2006) *The Business of War*, Aldershot: Ashgate, p. 85

(12) P.W. Singer (2001) 'Corporate Warriors', *International Security*, 26/3, p. 203

SELLING IRAQ: RECONSTRUCTION, PRIVATISATION AND EMPIRE IN DENIAL

Darren Atkinson*

Introduction

Iraq provides the single biggest threat to stability in the Middle East. What occurs there is of utmost importance, not just to its neighbours, but the world as a whole. Reconstruction after the devastation of sustained economic sanctions and continuous war is perhaps the most pressing issue that currently exists in Iraq today. This paper argues that the US-led occupying powers have attempted to evade responsibility for the reconstruction of Iraq by adhering to two main policies. Firstly it has become apparent that Iraq has been forced to pay for its own reconstruction. This policy has enabled the occupying governments to evade the financial implications that are inherent in undertaking a policy of empire. The paper goes on to suggest that the current policy of privatisation has led to the responsibility for reconstruction being passed away from the occupying powers onto unaccountable private contractors. Both of these evasions of responsibility have exacerbated the levels of instability and violence and pose serious questions about the validity of the reconstruction effort in Iraq. The paper concludes that this transfer of responsibility away from the centres of political power should be understood as a function of 'Empire in Denial'.

Reconstructing Iraq

After the devastation caused by the sanctions regime and the 2003 invasion Iraq is now undergoing the most significant reconstruction effort seen since the aftermath of the Second World War. Numerous post-war reconstruction plans were developed and promoted from as early as 2001; these plans sought to draw on best practice and provide the best possible post-war scenario for the US and conversely Iraq itself.⁽¹⁾ However it is now a truism to state that these plans were fatally flawed and entirely failed to take into account the likely political, economic and military difficulties that would be involved in a full-scale reconstruction of a country decimated by years of instability and torn by sectarian divisions.

The occupying forces have intensified the situation by attempting to pass the responsibility for reconstruction away from themselves and onto the Iraqi government and private corporations. Denial of responsibility has allowed the occupying forces to allege that it is the 'up to the Iraqi government' to lead the reconstruction effort. Denial of responsibility has been a major factor in the slow pace of reconstruction that has characterized the post-war period. Slow reconstruction of public infrastructure has been one of the major causes of the growing poverty

within Iraq, as people struggle to survive with poor electricity supplies, lack of access to health care and massive unemployment. This state of affairs has helped to exacerbate an already tense situation and has led to an increase in public unrest and growing lawlessness. Without strong, efficient public infrastructure people's lives are made incredibly difficult and conditions are created whereby individuals may resort to criminality and violence in an attempt to survive.

Paying the Price

After the defeat of the Axis powers in 1945, Germany and Japan were provided with massive financial loans and incentives under the Marshall Plan in an attempt to enable an effective reconstruction of the defeated countries. In Iraq the reverse is true - Iraq has been expected to pay for its own reconstruction. All Iraqi assets held in the US were transferred into a Treasury Special Purpose Account (TSPA) at the US Federal Reserve Bank in New York. This transfer was supported by \$8.1 billion left over from the UN Oil for Food Programme, which was transferred into the Development Fund for Iraq (DFI). All of this money was specifically earmarked for the reconstruction effort and was controlled and administered by the Coalition Provisional Authority (CPA). As Ed Harriman has clearly noted the situation is indeed unprecedented:

'The 'reconstruction' of Iraq is the largest American-led occupation programme since the Marshall Plan. But there is a difference: the US government funded the Marshall Plan whereas Donald Rumsfeld and Paul Bremer have made sure that the reconstruction of Iraq is paid for by the 'liberated' country, by the Iraqis themselves'.⁽²⁾

Massive amounts of reconstruction money was flown out to Iraq at the beginning of 2003 in the form of US dollar bills loaded onto pallets. By the end of 2003 up to \$12 billion had been sent this way. All the funding that was secured for the DFI and TSPA was intended to 'to help the Iraqi people and assist in the reconstruction of Iraq, such as by funding humanitarian relief or payment of Iraqi government workers'.⁽³⁾ The reality of the situation was far from this and it became apparent that the CPA was seriously mismanaging the funds. Audit reports from the US Government Accountability Office (GAO)

* Visiting Research Fellow, Regional Human Security Centre, Amman, Jordan

(1) See - Mac Ginty, R (2003) 'The pre-war reconstruction of post-war Iraq', *Third World Quarterly*, 24 (4)

(2) Harriman, Ed (2005) 'Where has all the money gone?' *London Review of Books*, Vol. 27, No. 13

(3) U.S. Department of the Treasury (2003) 'Fact Sheet 20th March', p. 1

highlight the reality behind the CPA's grand rhetoric to spend for the 'benefit of the Iraqi people'. Serious financial irregularities in spending of this Iraqi reconstruction money were found and there appeared to be little control over where reconstruction money was sent. Neither the CPA nor the recipients of money felt that accountability for their spending was necessary.

The treatment of reconstruction money illustrates the mentality that has characterised the US-led occupation of Iraq. CPA bureaucrats and politicians have been able to treat Iraqi reconstruction in a manner whereby they felt no responsibility for their actions. As the majority of finance was Iraqi in origin the occupiers have been able to evade responsibility for its use. This approach, as it turned out, has served as a perfect platform for serious fraud and financial irregularities. If the CPA had taken responsibility for reconstructing Iraq with money derived from coalition taxpayers then the serious fraud that was endemic in the beginning stages of reconstruction would have been avoided due to political pressure that exists in Western democracies to account for public spending. As it occurred the CPA's policies provided the perfect pretext for mismanagement and immediately highlighted the occupation to its opponents as untrustworthy if not institutionally corrupt.

Privatisation

Privatisation in Iraq has been swift and thorough. From the end of the invasion the CPA has been quick to promote the privatisation of a majority of reconstruction contracts in the country. However it is now apparent that a bulk of these contracts was siphoned off to US companies with at least some connection to the current administration in the White House. Even British companies were largely frozen from the reconstruction picture. Existing Iraqi companies, needless to say, were reduced to bidding for low value 'subcontracts', which are decided upon by the foreign contractors.⁽⁴⁾ Privatisation is now one of the main policies that is carried out to remove the responsibility for the undertaking of empire in Iraq.

Reconstruction in Iraq has been big business with around \$23 billion on offer for private companies prior to the declared victory over Saddam's troops. One of the main receivers of the DFI funds was a previously unknown company: Halliburton, who since the end of the traditional war in Iraq have become something of an international pariah and one the most well known corporations in the world. This unprecedented focus on Halliburton is, however, not without its merits. Halliburton gained the biggest single contract from the US Army Corps of Engineers (one of the key agents of reconstruction in Iraq along with the CPA and USAID) to undertake assessments and repairs in the early post-war reconstruction phase in Iraq. As the GAO have noted the contract was significant in financial terms:

'The largest single recipient of DFI funds is Halliburton. Under a no-bid, monopoly contract with the U.S. Army Corps of Engineers, a Halliburton subsidiary, KBR, was paid approximately \$2.5 billion for the importation of fuel for the Iraqi people, the preparation of oil field damage assessments, and the repair of oil facilities. Of the \$2.5 billion Halliburton received, \$1.6 billion came from Iraqi funds from the DFI.'⁽⁵⁾

The subsequent furore surrounding the conduct of Halliburton highlights the reality of the occupations willingness to deny responsibility for the actions of a private company. Auditors conducting a report into alleged financial corruption found that severe overcharging had taken place; whilst another, separate, audit carried out by the Defense Contract Audit Agency found that non-compliance and financial mismanagements were significant. The US Governments response to these claims is noteworthy. According to the International Advisory and Monitoring Board (IAMB), US officials sought to withhold information about Halliburton's overcharging. After months of failing to respond to repeat requests by the IAMB for audit papers, the US officials finally gave in. They provided the IAMB with redacted copies of the internal audit reports, which were meant to 'buy-off the auditors. However the usefulness of the reports was severely impeded by the interference of the officials. As the GAO have stated: 'These audits were so heavily redacted...[that they were] nearly meaningless'.⁽⁶⁾

Evasion of Responsibility

The reticence of the US to provide detailed audit papers to the independent IAMB appears to highlight the lengths that officials will go to deny responsibility for corruption within the reconstruction effort. By withholding the audit papers US officials attempted to prevent the truth emerging about the levels of corruption and financial mismanagement. When the issues did emerge thanks, in large part, to the tenacity of Rep. Henry A. Waxman (D-California), George W. Bush could quite happily state that 'If there's an overcharge, like we think there is, we expect that money to be repaid';⁽⁷⁾ a statement which in essence denies the clear governmental involvement in the scandal. It is, in the US governments view, Halliburton's problem. They were merely bystanders. As outlined above the US government's role was clear and unambiguous: they initially devised the reconstruction contract, they then attempted to prevent details of mismanagement from being made public, before finally denying that they had any part in the scandal whatsoever.

(4) See - International Crisis Group (2004) 'Reconstructing Iraq, ICG Middle East Report, No. 30 (Amman, Baghdad, Brussels)

(5) US Government Accountability Office (2005) 'Rebuilding Iraq: US Mismanagement of Iraqi Funds', p. 13.

(6) Ibid, p. 15

(7) McIntyre, J. (2003) 'Bush: If Halliburton overcharged the government, it will have to repay'

Privatisation provides the second important example of a technique of evasion that has been used by the occupying forces to deny the responsibility for the reconstruction of Iraq. Through privatisation the occupying powers have been able to lead the reconstruction effort, yet deny the responsibility for the major problems that have existed in post-war period. The obfuscation of independent audit reports by the US government in the Halliburton auditing scandal provides ample evidence of their in-depth involvement in the post-war reconstruction contracts. They were so highly involved that they attempted to prevent the IAMB from receiving the original documents. Yet when the scandal broke the US government was able to take a back seat and allege that they supported the upcoming Pentagon audit. Essentially the US government sought to deny the responsibility for the corruption that took place in Iraq and placed Halliburton into public focus as a purely independent actor.

Empire in Denial

The paradigm through which to understand the occupations evasion of responsibility in Iraq is 'Empire in Denial'. In Iraq the traditional rhetoric of empire such as racist notions of superiority has gone; in its place other more subtle forms of control have developed. Whereas a previous empire would assert that it was on a 'civilising' mission; today's empire seeks to build 'capacity' and promote 'local ownership'. In reality this change of language has altered little - power still overwhelmingly resides with the external occupier at the expense of the 'liberated'. One of the clearest examples of the denial of empire in Iraq is the hand over of sovereignty in June 2004.

Whereas previous empires would have instilled a US-backed administration that would have governed the country for many years, in Iraq the formalities of sovereignty were passed back in record time. However, the reality of this transfer of sovereignty is far removed from what is normally understood as self-government and has been used to conceal the true structures of dominance that exist in Iraq. This situation has led David Chandler to identify Iraq as a 'phantom state'; a state with formal independence and state sovereignty yet one in which politicians have little independence and are inexorably linked to the will of the occupying powers.⁽⁸⁾

Whilst Empire in Denial may appear to be a positive development in the understanding of empire by powerful states it is important to reiterate the dangers and problems that this current trend poses. Empire in Denial seeks to conceal the structures of dominance by undertaking policies that remove the responsibility for actions away from those who wield political power. In an age where power is ever more a-symmetrical there can be no more destabilising a political project than one which removes accountability away from those who hold power. In

essence Empire in Denial challenges the historical understanding of political progress by suggesting that power and responsibility do not reside in the same place. Social movements based on harnessing political power for change become obsolete as the true guardians of power exist beyond the political sphere. It is this situation that provides the real danger for people across the world and nowhere more plainly than in Iraq.

Conclusion

It is apparent, as this paper has suggested, that the US government has adopted two specific strategies to evade the responsibility for reconstruction in Iraq. Firstly the US government has managed to largely avoid financing the reconstruction of the damage that they themselves caused. Secondly they have attempted to avoid the responsibility for the mismanagement of funds that has characterised the post-war reconstruction phase of the occupation. This author asserts that the paradigm through which to understand this evasion of responsibility is 'Empire in Denial'. The two techniques described during this paper go some way to illustrating the lengths that the US has gone to deny its own power in Iraq. Whilst the shell of sovereignty and apparent independence appears to exist, power still overwhelmingly resides in Washington D.C. It appears, however, that the US government is quite unwilling to admit to this state of affairs. ■

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(8) Chandler, D (2006) *Empire in Denial* (London, Pluto Press), p.167