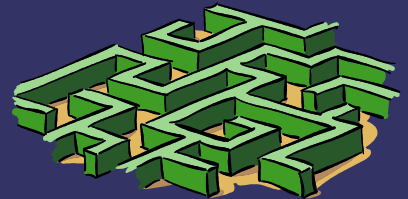


:"Washington Rules: America's Path to Permanent War"

Minnesota Futurists
By
Dick Saunders & Roger Rydberg

July 30, 2011



Theme

The Limits of Power begins with a quote from the Bible, the book of Second Kings, chapter 20, verse 1: “Set thine house in order.”

“Our biggest problems are within!”

“Begin healing yourself by looking at yourself in the mirror !”



Things You Need To Know About

Andrew Bacevich

- Retired from the military to become a professor of history and international relations at Boston University
- A public thinker who has been able to find an audience across the political spectrum
- Authored books:
 - 1. The New American Militarism: How Americans Are Seduced by War
 - 2. Washington Rules: America's Path to Permanent War
 - 3. And his bestselling The Limits of Power: The End of American Exceptionalism
- Bacevich speaks truth to power, no matter who's in power, which may be why he reaches both the left and the right.



“The pursuit of freedom, as defined in an age of consumerism, has induced a condition of dependence—on imported goods, on imported oil, and on credit. ”



The chief desire of the American people, is that nothing should disrupt their access to these goods, that oil, and that credit.

The chief aim of the U.S. government is to satisfy that desire, which it does in part through the distribution of largesse here at home (with Congress taking a leading role) and in part through the pursuit of imperial ambitions abroad.”



Our foreign policy is the result of a dependence on consumer goods and credit.

It reflects the perceptions of our political elite: we want an unending line of credit.

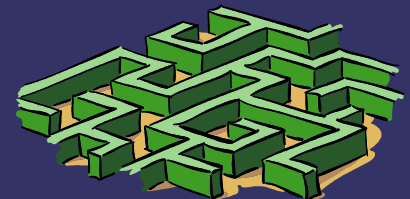
- to sustain the flow of very cheap consumer goods.
- pump gas into our cars regardless of how big they happen to be.
- to be able to drive wherever we want to be able to drive.
- to do these things without having to think about whether or not the books balance at the end of the month or the end of the fiscal year.



Current Situation

“A yawning disparity between what Americans expect and what they are willing or able to pay.”

- One of the ways we avoid confronting our refusal to balance the books is to rely increasingly on the projection of American military power around the world to maintain this dysfunctional system, or set of arrangements, that have evolved over the last thirty or forty years.



Discussion

- ⇒ Future -
- Possible
- Probable
- Preferred



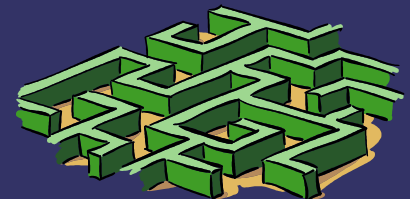
Issues

How did it come to be that places like Iraq and Afghanistan should have come to seem critical to the well-being of the United States of America?



Issues Continued

- How is Iraq a clear manifestation, as you say, of this “yawning disparity between what Americans expect and what they are willing or able to pay”?
-
- Let's think about World War II, a war that President Roosevelt told us was essential to U.S. national security, and was. President Roosevelt said, because this is an important enterprise, the American people would be called upon to make sacrifices. And indeed, the people of the United States went off to fight that war in large numbers. On the home front, people learned to get by with less. It was a national effort.



None of that's been true with regard to Iraq.

E.G. There was no effort made to mobilize the country, there was actually no effort even made to expand the size of the armed forces.

Just two weeks or so after 9/11 the president said, "Go to Disney World. Go shopping."

The global war on terror, and Iraq as a subset of the global war on terror, is said to be critically important, on the one hand. Yet on the other hand, the country basically goes about its business, as if, really, there were no war on terror, and no war in Iraq ongoing at all.



“U.S. troops in battle dress and body armor, whom Americans profess to admire and support, pay the price for the nation’s collective refusal to confront our domestic dysfunction.”

What are we not confronting?

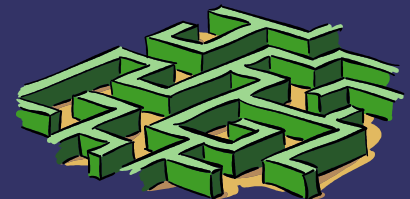
The most obvious, blindingly obvious, question is energy. It’s oil.



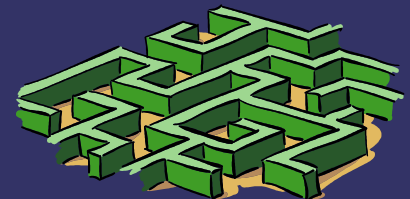
- ➡ In the early 1970s, we came to recognize that dependence on foreign oil was a problem, posed a threat, compromised our freedom of action, and then did next to nothing about it!
- ➡ the Persian Gulf region would have zero strategic significance were it not for the fact that that's where the oil is.



- ➔ Back in 1980, President Carter promulgated the Carter Doctrine. He said the Persian Gulf had enormous strategic significance to the United States. We were not going to permit any other country to control that region of the world.
- ➔ That set in motion a set of actions that militarized U.S. policy and led to ever deeper U.S. military involvement in the region.
- ➔ The result has been to postpone the day of reckoning. Americans are dodging the imperative of having a serious energy policy.
- ➔ And this is connected to “the crisis of profligacy.”
- ➔ we don’t live within our means.



- ⇒ The individual savings rate in this country is below zero. As a nation, we assume the availability of an endless line of credit. But as individuals, the line of credit is not endless; that's one of the reasons why we're having this current problem with the housing crisis!
- ⇒ The view is that the nation's assumption that its line of credit is endless is also going to be shown to be false.
- ⇒ And when that day occurs it's going to be a black day indeed.



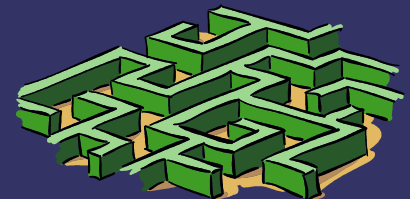
An empire of consumption?

- ➡ When American power was at its apex after World War II, through the Eisenhower years, into the Kennedy years, we made what the world wanted. They wanted our cars. We exported our television sets, our refrigerators—we were the world's manufacturing base. He called it an “empire of production.”
- ➡ Sometime around the 1960s there was a tipping point when the “empire of production” began to become the “empire of consumption.” When the cars started to be produced elsewhere, and the television sets, and the socks, and everything else. And what we ended up with was the American people functioning primarily as consumers rather than producers.



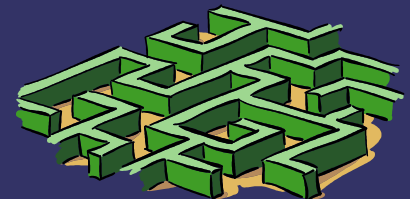
■ ***“Americans are no longer masters of their own fate.”***

- ➔ This has produced a condition of profound dependency, to the extent that “Americans are no longer masters of their own fate.”
- ➔ The current debt to the Chinese government grows day by day. Why? Because of the negative trade balance. Our negative trade balance with the world is something on the order of \$800 billion per year. That’s \$800 billion of stuff that we buy, so that we can consume, that is \$800 billion more than the stuff that we sell to them.



American policy makers “ have been engaged in a de facto Ponzi scheme!

- ➡ American policy makers “ have been engaged in a de facto Ponzi scheme intended to extend indefinitely the American line of credit.” What’s going on that resembles a Ponzi scheme!
- ➡ This continuing tendency to borrow and to assume that the bills are never going to come due.



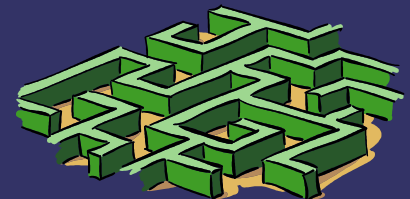
How are we going to pay the bills?

- ➡ How are we going to pay for the entitlements that are going to increase year by year for the next couple of decades, especially as baby boomers retire? Nobody has answers to those questions.



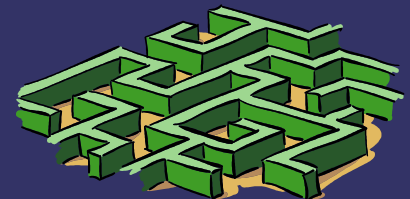
The tipping point between wanting more than we were willing to pay for began in the Johnson administration.

- ⇒ “We can fix the tipping point with precision,”
- ⇒
- ⇒ “It occurred between 1965, when President Lyndon Baines Johnson ordered U.S. combat troops to South Vietnam,
- ⇒
- ⇒ and 1973, when President Richard M. Nixon finally ended direct U.S. involvement in that war.”



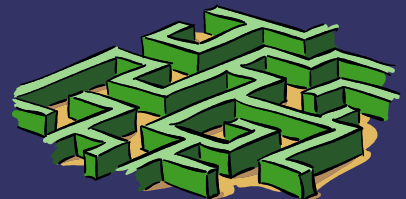
■ *Why this period is so crucial?*

- ➡ When President Johnson became president, our trade balance was in the black. By the time we get to the Nixon era, it's in the red. And it stays in the red down to the present. As a matter of fact, the trade imbalance essentially becomes larger year by year.
- ➡ So the '60s generally—the Vietnam period—that was the moment when we began to lose control of our economic fate. And most disturbingly, we're still really in denial.



The fateful period between July 1979 and March 1983.

- ⇒ A pivot of contemporary American history. That includes Jimmy Carter and Ronald Reagan.
- ⇒ President Carter acknowledges that our dependence on oil poses a looming threat to the country.

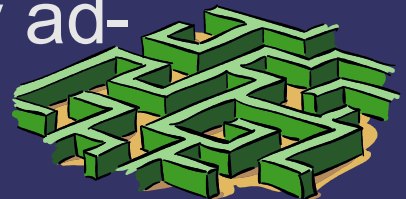


Misunderstood and underestimated President Carter

Carter: "If we act now, we may be able to fix this problem. If we don't act now, we're headed down a path along which not only will we become increasingly dependent upon foreign oil, but we will have opted for a false model of freedom.

A freedom of materialism, a freedom of self-indulgence, a freedom of collective recklessness."

The president was urging us to think about what we mean by freedom. We need to choose a definition of freedom that is anchored in truth, he argued, and the way to manifest that choice was by addressing our energy problem.



Carter's Malaise Speech

President Carter acknowledges that our dependence on oil poses a looming threat to the country.

If we act now, he says, we may be able to fix this problem. If we don't act now, we're headed down a path along which not only will we become increasingly dependent upon foreign oil, but we will have opted for a false model of freedom. A freedom of materialism, a freedom of self-indulgence, a freedom of collective recklessness.



Carter lost the election!

This speech killed any chance he had of winning reelection. Why? Because the American people didn't want to settle for less?

They absolutely did not. And indeed, the election of 1980 was the great expression of that, because in 1980, we have a candidate, perhaps the most skillful politician of our time, Ronald Reagan, who says, "Doomsayers, gloomsayers, don't listen to them. The country's best days are ahead of us."



“Morning in America.”

It's “Morning in America.” You don't have to sacrifice; you can have more of everything.

All we need to do is get government out of the way and drill more holes for oil.

The president led us to believe the supply of oil right here in North America was infinite.

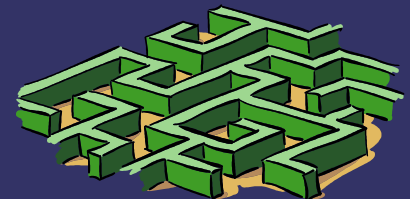


Ronald Reagan as the “modern prophet of profligacy, the politician who gave moral sanction to the empire of consumption.”

To understand the truth about President Reagan is to appreciate the extent to which our politics are misleading and false.

Remember, he was the guy who came in and said we need to shrink the size of government. But government didn't shrink during the Reagan era, it grew. He came in and he said we need to reduce the level of federal spending. He didn't reduce it. It went through the roof.

The budget deficits for his time were the greatest we'd experienced since World War II.

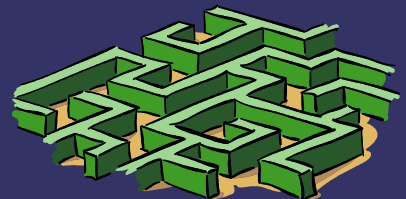


***Bush, who said in 1992
“American way of life is not negoti-
able”***

Andrew Bacevich:

“if you want to preserve the American way of life, then you need to ask yourself, what exactly is it you value most? I believe that if we want to preserve that which we value most in the American way of life, then we will need to change the American way of life. We need to modify or discard things that are peripheral in order to preserve those things that possess real importance.”

What do you value most?



Look to the Preamble of the Constitution

There is nothing in the Preamble to the Constitution that defines the purpose of the United States of America as remaking the world in our image

There is nothing in the Preamble to the Constitution that provides a basis for embarking upon an effort to transform the greater Middle East, a region of the world that incorporates something on the order of a billion people.



The framers of the Constitution were primarily concerned with the way we live here, the way we order our affairs.

They wanted Americans as individuals to have an opportunity to pursue freedom, however defined.

⇒ They wanted Americans collectively to create a national community so that we could live together in some kind of harmony. And they wanted future generations to be able to share in those same opportunities.



■ *The big problem*

The big problem with the current crisis in American foreign policy is that unless we change our ways, the likelihood that our children and our grandchildren are going to enjoy the opportunities that we've had is very slight.

Why? Because we're squandering our power.

We are squandering our wealth.

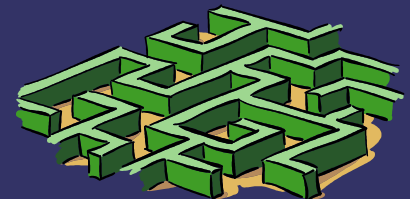
To the extent that we persist in our imperial delusions, we're also going to squander freedom itself, because imperial policies end up enhancing the authority of the imperial president, thereby providing imperial presidents with an opportunity to compromise freedom even here at home. We've seen that since 9/11.

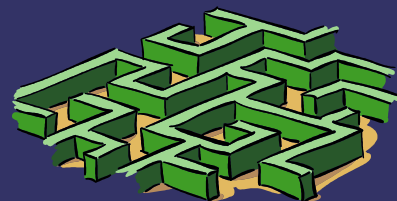


“ ironically Iraq may yet prove to be the source of our salvation.”

My hope is that Americans will come to see the Iraq War as a fundamental mistake. That it never should have been undertaken. And that we're never going to do this kind of thing again.

That might be the moment when we will look at ourselves in the mirror. And we will see what we have become. And perhaps undertake an effort to make those changes that will enable us to preserve for future generations that which we value most about the American way of life.





What's Next

➡ Liz Ann Sonders – Schwab Outlook

