

This PDF is auto-generated for reference only. As such, it may contain some conversion errors and/or missing information. For all formal use please refer to the official version on the website, as linked below.

## International Political Economy and the 2003 Iraq War: A Keynesian Perspective

<https://www.e-ir.info/2019/05/05/international-political-economy-and-the-2003-iraq-war-a-keynesian-perspective/>

ANON, MAY 5 2019

In *The German Ideology*, Karl Marx famously argued, “we do not set out from what men say, imagine, conceive, nor from men as narrated, thought of, imagined, conceived, in order to arrive at men in the flesh. We set out from real, active men, and on the basis of their real life-process we demonstrate the development of the ideological reflexes and echoes of this life-process...[M]en, developing their material production and their material intercourse, alter, along with this their real existence, their thinking and the products of their thinking. Life is not determined by consciousness, but consciousness by life” (Marx 1968).

In response, JM Keynes closed *The General Theory* with, “the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back...[I]t is ideas, not vested interests, which are dangerous for good or evil” (Keynes 2010).

While Marx insisted upon material structures as the prime unit of analysis in international relations, Keynes reified the ideationally-inspired individual as the key driver for change. These theoretical lenses denoting structure/agency and ideas/material interests will be assessed via the U.S.’ decision to invade Iraq in 2003.<sup>[1]</sup> This essay contests that Keynes’ emphasis on ideas and individuals is better-suited towards explaining the U.S.’ policy shift towards Iraq – a shift from the Gulf War ceasefire to a military intervention on March 20, 2003 (Encyclopedia Britannica 2004). Although ideas also form the structural fabric governing the White House’s ultimate actions, it is argued that policies are not born out of a vacuum. In the case of Iraq, the distinctive nature of the Bush administration was pivotal to policy change. The Iraq case is not commonly labelled as a piece of foreign economic policy, but it addresses the essay prompt by taking a broad view of international political economy. As Daniel Sargent remarked, “the making of foreign economic policy has entailed delicate tradeoffs between diverse interests — political and material, foreign and domestic, sectional and sectoral, and so on” (2017, 1). The entanglement of interests means that foreign policy and foreign economic policy should not be considered conceptually distinct; thus, it is with this understanding that the case study will be applied. The discussion will first illuminate the salience of oil politics as a material/structural motivation for the U.S.’ rationale. Next, shortcomings in this argument will be explained by the ambitions of American ideology, as per Keynes’ response to Marx. The remainder of the essay will support Keynes’ perspective by demonstrating how norm perceptions and the unique character of the Bush administration drove America’s decision towards the Second Persian Gulf War.

Marx’s material-structural view is evinced by the salience of oil politics surrounding the Iraq War. The significance of oil for a country’s economy and security cannot be overstated – the resource is required for energy, to produce essential goods, and demanded by military operations. Scholars such as Nafeez Ahmed (2014) and Philippe Le Billon (2004) have built their ‘war for oil’ arguments based on U.S. oil vulnerability at the turn of the century combined with a coveting for Iraq’s abundant oil reserves. From a realist standpoint, it would be rational for the U.S. to seek expansion, maintain hegemonic power, and capture relative advantages by eliminating competitors such as China from the region (see, for example, Hinnebusch 2007; Wohlforth 2008). In terms of balancing power, Iraq was also an

# International Political Economy and the 2003 Iraq War: A Keynesian Perspective

Written by anon

opportunity to manoeuvre America's conflicting relationships between supporting Israel and relying on Saudi oil. In sum, there were conceivable material-structural pressures for the U.S. to turn to Iraq.

Nonetheless, this explanation is inadequate. Issues of American oil-dependence were not new and conditions at the time did not warrant a desperate foray into Iraq (Council on Foreign Relations, *n.d.*). From a rational calculus, the costs of war should appear unjustifiably high, especially when diplomatic solutions were available. James Risen (2003) reported that Saddam Hussein had reached out to avoid war by offering generous concessions, including promising the U.S. "first priority" (*ibid.*) in oil and mining rights. Regardless of whether these proposals would have been realised, an interest-driven politician should have had at least addressed these overtures. Ultimately, the White House did not respond (*ibid.*). Such self-defeating practices insinuate more to the American rationale that cannot be accounted for by the material approach. Therefore, to solely conceive of the military intervention as a result of 'material interests and circumstances' leaves a key question unanswered: why did the Bush administration refuse a deal with Iraq that could have avoided a costly war?

Understanding the context of structural ideologies can answer this question. American exceptionalism as an ideology is defined by the belief in the supremacy of American values. Foreign policy becomes a moral crusade which demands the universalisation of U.S. ideals or otherwise painfully compromising "the myth of America's uniqueness as a nation" (Ravenal in Hunt 1987). Prompted by a sort of zealous fervour, it can serve as an ideological justification for the global projection of the country's values. Various scholars find this ideology deeply rooted in the country's history (see, for example, Mead 2013), but what is crucial here was the establishment of the Project for a New American Century (PNAC) which formally compounded American exceptionalism with neoconservatism. PNAC was a major source of ideological influence. Surrounding its principles around William Kristol and Robert Kagan's seminal article (1996), the think tank's publications championed the pursuit of a "Reaganite policy of military strength and moral clarity" (PNAC 1997) and to "[remove] Hussein's regime from power" (PNAC 1998). This logic incentivized a muscular foreign policy aimed against Hussein's reign which was endorsed by numerous political elite.

Toby Dodge's argument more clearly reveals the effect of these ideas on the Bush administration, thereby substantiating Keynes' point that decision-makers are influenced by ideas in their policymaking. Dodge advances that rather than masking oil politics, politicians cited values such as "humanity" and "freedom" (2010, 1269) in earnest, implying another motive for the invasion – to remove Hussein from power and create liberal state institutions, as per the moral crusade upheld by American exceptionalism ideologies. Understanding the role of ideas also helps clarify why the White House ignored Hussein's concessions. According to Dodge, the Bush administration constructed the Ba'ath party in an archetypal-enemy image by referring to them using language such as "the axis of evil" (Dodge 2012, 466), resonating with PNAC's anti-Iraq, neoconservative ideologies. By this line of reasoning, the Bush administration would be disinclined to engage in negotiations with a diabolical dictator that it was determined to topple from power.

This argument may be accused of naively taking rhetoric at face value. Returning to the central debate, Marx would argue that the above semantics was just mere rhetoric to mask the ruling coalition's personal commercial interests. Admittedly, there were connections between officials and oil and gas companies to suggest that these individuals had vested personal interests in securing Iraqi oil (Kay 2001). Yet this is not actually damning to the ideational approach and can be understood through theories explaining variation in norm enactment as per Herrmann and Shannon (2001). Herrmann and Shannon created hypothetical foreign policy scenarios and analysed the responses of a large sample of American political elites to assess the relationships between normative obligation, material interest and perception in decision-making. The scholars found, unsurprisingly, that more participants were willing to defend a normative obligation when material interests were at stake. What is more relevant, however, is the common perception among the participants that "when U.S. economic and security interests are at stake, taking action [was] mostly perceived as a morally defensible norm in its own right" (Herrmann and Shannon 2001, 651). That is to say, many American policymakers rarely view personal commercial interests as conflicting with normative obligations. Rather than material and circumstantial dictates driving policy shifts and being disguised by the rhetoric of individuals beholden to material interests, it is in fact material interests that are subsumed under and merged to complement with ideationally-rooted perceptions of normative obligation. In other words, Keynes' 'madmen in authority' and their ideas are responsible for framing the way material constructs are perceived and acted upon.

# International Political Economy and the 2003 Iraq War: A Keynesian Perspective

Written by anon

Herrmann and Shannon's findings underscore the importance of agential-level perceptions. Extrapolating from this, agents themselves are the decisive causal mechanism of policy shifts. Indeed, Herrmann and Shannon remark in their article that "norms may be part of a 'suprapersonal objective order,' but they are enacted at the level of individual agents" (2001, 626). Although Dodge casts agents as passive bearers of ideological influence by stating that their "'menu of choices' has been shaped by analytical categories through which they impose meaning on the world" (2012, 463), this essay proposes that it is the personalities of key individuals which determine how norms are accepted and expressed in policy-making processes.

To bring the ideational argument from the structural to agential level, it can be demonstrated that some members in the Bush administration espoused extremely hawkish views towards Iraq. As mentioned, PNAC's ideologies were endorsed by numerous American politicians in the late 1990s. Some of these individuals such as Dick Cheney, Donald Rumsfeld, and Paul Wolfowitz later went on to fill senior positions in the Bush administration. Moreover, the strength of these individuals' beliefs was manifest. Drawing on extensive access to sources in the White House, investigative reporter Bob Woodward described Cheney as a "powerful, steamrolling force obsessed with Saddam and taking him out" (Woodward 2006, 4). Rumsfeld was seen to be an equally bellicose actor as evidenced by his declassified 'How Start' memo exposing his readiness to invade on false pretexts (MSNBC 2013). Wolfowitz was found to take the most aggressive stance against Hussein's regime: Woodward describes him as the "intellectual godfather and fiercest advocate for toppling Saddam" (Woodward 2006, 21). Together, these three men held pivotal roles that distinguished the character of the Bush administration from previous ones (see, for example, Halper 2009). Conceivably inspired by PNAC's ideologies, their forceful personalities gave them a disproportionate amount of influence. This echoes Keynes' quote referring to 'madmen in authority' being inspired by 'some academic scribbler' (i.e. Kristol and Kagan) to drive policy change. These 'madmen in authority', as it were, can be seen to have skewed the administration towards war with Iraq.

Tansa Massoud and David Mitchell (2009) argue that interactional dynamics among the ruling coalition had a profound impact on the policy process. Bush's style of delegative leadership along with a hyper-awareness of power hierarchy among his top aides meant that advisers selectively presented information to feed Bush's confirmation bias. By pandering to Bush's predilections, Massoud and Mitchell assert that this anticipatory compliance compounded with militant beliefs, resulting in dismissals of substantial counterevidence. Bush's abdication of authority also led to bureaucratic infighting drowning out moderate voices in the administration. Both Thomas Ricks (2006) and Woodward (2006) observed the sidelining of Colin Powell, who did not possess the same aggression prevalent in the administration and supported a containment policy against Hussein. However, Powell's minority stance meant that as advisers competed to promote their differing goals and recommendations, the moderate influence diminished. Consequently, there was little in way of the policy process towards the final decision to invade in 2003 (Massoud and Mitchell 2009). The absence of a clear pillar of power enabled militaristic, anti-Iraq ideologies to dominate the policy process. This interactional dynamic was again unique to the Bush administration and shows how influential idealistic doctrines are in driving policy. Through shedding light on the interactional dynamics of the ruling circle, the nature of Massoud and Mitchell's study reiterates the significance of 'madmen in authority' pushing policy shifts.

In conclusion, this analysis of the U.S.' rationale to invade Iraq in 2003 finds that while the Marxian focus on circumstantial and material dictates helpfully draws attention to the incentives of oil politics and realist strategic aims, it fails to account for the irrationality of using force. Instead, an examination of how agents processed and acted upon ideological structures that rendered a moral imperative to go to war against Hussein finds this ideational-agential interplay to be the key driving factor. In sum, the argument corroborates Keynes' stress on great intellectuals and ideas influencing policy.

This essay should not be regarded as an attempt to exhaust every possible interpretation of the American rationale. Instead, it aims to articulate the theoretical framework through which one can assess the continuing debates surrounding the 2003 Iraq War. This evaluation's emphasis on the role of the agent, however, aspires to a greater aim of highlighting the fact that it is ultimately individuals who drive politics. Considering that the discipline of International Relations was primarily founded for the purpose of preventing war, to absolve actors of their responsibilities risks jeopardising this goal.

# International Political Economy and the 2003 Iraq War: A Keynesian Perspective

Written by anon

## Note

[1] Notably, official reasons given for the invasion have been widely rejected. See Sharon Otterman, "Iraq: America's Rationale for War," Council on Foreign Relations, February 3, 2005, <https://www.cfr.org/backgrounder/iraq-americas-rationale-war>.

## Bibliography

Ahmed, Nafeez. 2014. "Iraq invasion was about oil". *The Guardian*, March 20, 2014. <https://www.theguardian.com/environment/earth-insight/2014/mar/20/iraq-war-oil-resources-energy-peak-scarcity-economy>.

Council on Foreign Relations. "Timeline: Oil Dependence and U.S. Foreign Policy." Accessed December 10, 2018. <https://www.cfr.org/timeline/oil-dependence-and-us-foreign-policy>.

Dodge, Toby. 2012. "Enemy images, coercive socio-engineering and civil war in Iraq, *International Peacekeeping* 19 (4): 461-477. doi: 10.1080/13533312.2012.709756.

Dodge, Toby. 2010. "The ideological roots of failure: the application of kinetic neo-liberalism to Iraq." *International Affairs* 86 (6): 1269-1286. doi:10.1111/j.1468-2346.2010.00942.x.

EIA Beta. "Total Petroleum and Other Liquids Production." Accessed December 10, 2018. <https://www.eia.gov/beta/international/?fips=iz>.

Encyclopedia Britannica, s.v. "Iraq War." Chicago: Encyclopedia Britannica, 2018. Accessed December 13, 2018. <https://www.britannica.com/event/Iraq-War>.

Halper, Stefan. 2009. *America Alone: The Neo-Conservatives and the Global Order*. Cambridge: Cambridge University Press.

Herrmann, Richard K. and Vaughn P. Shannon. 2001. "Defending International Norms: The Role of Obligation, Material Interest, and Perception in Decision Making." *International Organization* 55 (3): 621-654. <https://www.jstor.org/stable/3078659>.

Hinnebusch, Raymond. 2007. "The US Invasion of Iraq: Explanations and Implications." *Critique: Critical Middle Eastern Studies* 16 (3): 209-228. doi:10.1080/10669920701616443.

Hunt, Michael H. 1987. *Ideology and US Foreign Policy*. New Haven: Yale University Press.

Kay, Katty. "Analysis: Oil and the Bush cabinet." *BBC*, January 29, 2001. <http://news.bbc.co.uk/1/hi/world/americas/1138009.stm>.

Keynes, J. M. 2002. *The General Theory of Employment, Interest, and Money*. Harcourt: San Diego. <https://www.marxists.org/reference/subject/economics/keynes/general-theory/>.

Kristol, William and Robert Kagan. 1996. "Toward a Neo-Reaganite Foreign Policy." *Foreign Affairs*, July 1996. <https://www.foreignaffairs.com/articles/1996-07-01/toward-neo-reaganite-foreign-policy>.

Le Billon, Philippe and Fouad El Khatib. 2004. "From free oil to 'freedom oil': terrorism, war and US Geopolitics in the Persian Gulf." *Geopolitics* 9 (1): 109-137. doi:10.1080/14650040412331307852.

Marx, Karl. 1968. *The German Ideology*. Moscow: Progress Publishers. [https://www.marxists.org/archive/marx/works/download/Marx\\_The\\_German\\_Ideology.pdf](https://www.marxists.org/archive/marx/works/download/Marx_The_German_Ideology.pdf)

# International Political Economy and the 2003 Iraq War: A Keynesian Perspective

Written by anon

Mead, Walter Russell. 2013. *Special Providence*. New York: Routledge.  
<https://www.dawsonera.com/readonline/9780203821626>.

Mitchell, David and Tansa George Massoud. 2009. "Anatomy of Failure: Bush's Decision-Making Process and the Iraq War." *Foreign Policy Analysis* 5 (3): 265-286. doi:10.1111/j.1743-8594.2009.00093.x.

MSNBC. 2013. "'Building momentum for regime change: Rumsfeld's secret memos.'" *MSNBC*, February 16, 2013.  
<http://www.msnbc.com/msnbc/building-momentum-regime-change-rumsfe>.

Project for the New American Century. *Letter to President Clinton on Iraq*. Washington: Project for the New American Century, 1998. Accessed December 10, 2018. <http://www.newamericancentury.org/iraqclintonletter.htm>.

Project for the New American Century. *Statement of Principles*. Washington: Project for the New American Century, 1997. Accessed December 10, 2018. <http://www.newamericancentury.org/statementofprinciples.htm>.

Ricks, Thomas E. 2006. *Fiasco: The American Military Adventure in Iraq*. London: Penguin.

Risen, James. 2003. "THE STRUGGLE FOR IRAQ: DIPLOMACY; Iraq Said to Have Tried to Reach Last-Minute Deal to Avert War." *The New York Times*, November 6, 2003. <https://www.nytimes.com/2003/11/06/world/struggle-for-iraq-diplomacy-iraq-said-have-tried-reach-last-minute-deal-avert.html>.

Sargent, Daniel. 2017. "American Foreign Economic Policy." *Oxford Research Encyclopedia of American History*. Accessed Dec 13, 2018. doi:10.1093/acrefore/9780199329175.013.52.

Wohlforth, William C. "Realism." In *The Oxford Handbook of International Relations*. Oxford: Oxford University Press. August 14, 2008.  
<http://www.oxfordhandbooks.com/view/10.1093/oxfordhb/9780199219322.001.0001/oxfordhb-9780199219322-e-7>.

Woodward, Bob. 2004. *Plan of Attack*. New York: Simon & Schuster.

*Written at: London School of Economics and Political Science*

*Written for: Dr James Morrison*

*Date written: December 2018*

---

## About the author:

The author/s of this content have been verified by E-international Relations, but wish to remain anonymous.