We are pleased to introduce Volume 50, Issue Number 2, of the URPE newsletter. As the conflicts in Gaza and Ukraine escalate grimly and rage on, we hope that this issue of the newsletter provides readers with some, hopefully timely, perspectives on both. The implications of conflict and war for radical political economists emerge as a salient theme for this issue, which features an interdisciplinary collection of articles and thought pieces. The first op-ed by Paddy Quick shares a view of settler colonialism in the context of US history, providing food for thought for the left in terms of the Gaza crisis, while the second short piece provides a history of URPE since the Vietnam war and the questions before URPE as a radical organization. The two longer essays by Jack Rasmus and Dan Lazare provide important considerations on the Ukraine war. Al Campbell's note introduces a progressive forum in Europe for economists and social scientists, the IIPPE.

We welcome further discussion on the URPE discussion listserv on any of the pieces, as well as more letters to the editors on the articles or on other issues of concern to URPE.

The contributions in this issue include:

“The International Initiative for Promoting Political Economy” by Al Campbell (news), pp. 3

“Settler-Colonialism and Genocide,” an opinion editorial (op-ed) by Paddy Quick, pp. 4–8.

“URPE’s History,” a second opinion editorial (op-ed) by Paddy Quick, pp. 9–10.

“Ukraine War Funding & Failed Russian Sanctions,” an essay by Jack Rasmus, pp. 11–17 and
“What Ukrainian Military Failure Will Mean,” an essay by Daniel Lazare, pp. 18–25.


Other informational items on URPE at the ASSAs and the Annual Report, pp. 27.

The contents of the current issue of the RRPE, pp. 28

We look forward to your comments and suggestions as well. We also look forward to your submissions – opinion editorials or longer essays – for the next issue of the newsletter (Vol. 50, Issue 3, July/August), for which a call will be sent out soon.

From newsletter editor Marianne Hill, and Steering Committee liaisons and co-editors Smita Ramnarain and Ann Davis.

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IIPPE – The International Initiative for Promoting Political Economy

News item by Al Campbell

A short update to our sister political economic organization URPE from the International Initiative for Promoting Political Economy (IIPPE).

Following three years of preliminary Research Conferences, IIPPE was founded at its first Annual Conference in 2010 in Rethymno, Crete (IIPPE moves the location of its Annual Conference around every year). The central goal of the organization, like many other political economy groups around the world, is to support and promote the development and dissemination of political economy. Its web site www.iippe.org gives much more information about the nature of the organizational and its activities.

Given the breadth of the topics included in “political economy”, IIPPE was created with a particular structure to try to promote political economy. Within the overall organization connecting these smaller more focused groups, it set up “Working Groups” that self-select what aspect of political economy they want to focus on. They determine panels at conferences and set up other projects related to their topic of interest. As you can see from the link to the Working Groups from our home page above, IIPPE currently has 20 Working Groups on different aspects of political economy.

The 14 Annual Conference this year will be in Istanbul September 4 – 7. The first day is a day of workshops on various aspects of political economy, set up by the Working Groups or the central IIPPE structure. The following three days are panels similar to those in the URPE meetings at the ASSAs and the Easterns. For the last two years since we came back from Covid we have had around just under 350 presentations in first Bologna and then Madrid, and from the number of proposals made and accepted we expect around the same this year.

Al Campbell is a retired Professor of Economics at the University of Utah, was on the URPE Steering Committee for just over two decades, and currently continues to work on organizing the URPE at Easterns sessions every year. He currently lives in Europe and is Chair of the International Initiative for Promoting Political Economy, IIPPE. For any questions about IIPPE, please email Al at al@economics.utah.edu.
Settler-Colonialism and Genocide

Op-Ed by Paddy Quick

Israel is described by many of those opposing its genocidal attacks on Palestinians as a “settler colony.” The same term is widely used in accounts of the European settlement in the Americas, including the United States, and in describing the genocide of Native Americans. The establishment of the Israeli state must be recognized to differ from this in important respects, but there is much to be learnt from a study of that earlier process, and in particular the connection between settler-colonialism and genocide.

The term “settler-colonialism” refers to the process in which colonizers invade and occupy territory with the goal of permanently replacing the existing society with the society of the colonizers. As such it differs from one in which the ruling class of a society acts to displace the rulers of another society through military activity in order to take for themselves the surplus labor carried out in that society by its resident laboring class. Much of recorded history consists of accounts of the “empires” that were built through such military activity, such as the Holy Roman Empire, the Ottoman empire, and the British empire. The term “imperialism” is used today, particularly by Marxist theorists, to refer to the process specific to the capitalist mode of production, as in Lenin’s characterization of it in 1917 as “the highest stage of capitalism.” Those who followed in his theoretical footsteps understand imperialism to be driven by the process of extraction and accumulation of surplus value.

It is argued here that settler-colonialism, as it took place for example, in the Americas constituted an historically specific form of capitalist expansion. In this, settlers who were members of the laboring classes must be distinguished from those who were members of the ruling capitalist class, but they were nonetheless participants in the process. Britain was not, of course the only country involved in this. It was joined by Spain, Portugal, and France among others, but British history serves as a useful case-study of the process.

The wealthy British who led the invasion were financed by capitalists or were themselves capitalists. It was, in fact, the transition to capitalism that provided the impetus for settler colonialism. The previous form of surplus extraction was based on the extraction of labor dues, in kind as well as in money, from those who were resident on the inherited land of a feudal aristocracy, as well as from the extraction of taxes by a powerful state. This form of exploitation was increasingly displaced by the growing capitalist class whose wealth came instead mainly from the extraction of surplus value from the wage-laborers that they employed. This was the how the capitalist settlers sought to make their fortunes.

The members of the ruling class who organized colonial settlement included, for example, the second or third sons of aristocratic households who would not, unlike the eldest sons, inherit the position of their fathers. They also included those for whom there were a decreasing number of lucrative “offices” available in the form of attachments to the royal court. What they did have, to an increasing extent, was access to wealth in the form of capital. While most of this was, of course, used for the expansion of production within Britain, an alternative took the form of financing production in the territories that Britain controlled.
Capital was needed to pay the ship-owners (and their crews) and, unlike more traditional “imperialists,” for the purchase of provisions that would be needed on landing, such as food, clothing, and materials for the construction of shelters, until production could be established on the new continent. The capitalists did not, of course, expect to work themselves, to dig ditches and wash clothes, and thus they took with them the many servants needed to carry out this labor, over and above what was required for the servants’ own maintenance. What they could not take with them were the many more laboring people who had provided them with surplus labor in the old country. Nor, of course, could they take the land on which this labor had taken place. They would have to find ways to extract surplus labor.

Capital had, of course, been used to finance Britain’s imperialist expansion, for example into the Indian subcontinent, there to “displace” or subordinate its ruling class. It was also used to maintain naval dominance over, and theft from, its trading rivals such as Spain. These did not, however, immediately or significantly change the form through which surplus labor was extracted from the people that the British and others conquered, only its recipients. In contrast, this old form of exploitation was replaced in the settler colonies a new form that required the thorough control of “new” land farmed by “new” laborers.

The earliest colonial settlers met with relatively little direct military resistance in their seizure of land. It was not immediately apparent to Native Americans that the land the settlers took for their own use threatened the ability of Native Americans to continue to live as before. What was more immediately troubling to the capitalist settlers was the difficulty in obtaining laborers to work that land. One source, of particular importance in the settlement of Australia for example was convict labor. Penal colonies presented to the British ruling class what seemed to be a “solution” to the growing problem of the criminal activity of the unemployed, such as the crime of “begging.” Transportation to the colonies to seen to be an appropriate penalty for those found guilty of this. It had the dual merit of both relieving Britain of the expense of keeping alive this “surplus population,” while at the same time supplying (capitalist) settlers with a labor force. But there were quantitative limits to this, to say nothing of the resistance by the working class of Britain.

A major problem for capitalists in the early North American colonies was the unwillingness of Native Americans to serve as wage laborers. Instead they fought to maintain their own societies and to labor within these rather than surrender surplus labor to the capitalist settlers. They were joined by many slaves who escaped captivity. In response to continued aggression, they moved, or were forcibly moved, to land that was not yet “needed” by the settlers. They were therefore of no “use” to the settlers. As was predictable, they engaged in armed resistance to the seizure of their land. This often included the killing not only of soldiers but the families of settlers. The policy of the settlers then turned to a more general one of genocide. The 1890 Wounded Knee slaughter of approximately 150-300 Lakota Indians by US troops is well known. It was said, in the classic genocidal statement, that “the only good Indian is a dead Indian.”

In order to attract working class people from Europe to the colonies, it was necessary to do more than provide them with a wage. Instead what was important was the promise that after a certain number of years they would be able to establish themselves as independent farmers, i.e., cease to
be required to perform surplus labor. It was at this point, early in the history of settlement, that a distinction came to be drawn between those whose terms of service would thus come to an end, and those who would become slaves.

Britain accordingly supported its colonies by becoming the major slave-trading nation in the world. This would be followed, after the formal abolition of slavery, by the British practice of importing into its African and the Caribbean colonies large numbers of laboring people from its colonies in the Indian subcontinent in particular, with a status higher than that of people of African heritage but far below that of Europeans.

The history of the United States and other settler colonies must be understood as one of capitalist expansion that was dependent, from its very beginning, on both slavery and genocide. It is important to recognize that not just capitalists but laboring people participated in this settlement. Few capitalists, the ultimate beneficiaries of this, lost their lives in this. For a very significant number of European laboring-class households, emigration not only promised but provided, at least for a while, an end to exploitation. If capitalist competition made the farms they had set up on “virgin” soil unprofitable (the sexual form of imagery is significant), they were told “Go West, young man.” The US government provided them with assistance in moving into territory that could be “freed” from indigenous control by federal troops, financed from their own contributions to the surplus appropriated by the capitalist class. Regardless of their intentions, this made US workers complicit in the oppression of the people whose land they occupied.

This land, they persuaded themselves, was unoccupied, or, if not, was said to be available for better use by themselves as more capable than those who had been driven from it. The phrase “a land without a people for a people without a land” was used in the nineteenth century for those who supported of a Jewish settlement of Palestine.

The promise of land for European workers thus intensified the process of “removal” of Native Americans from that land. In this the ruling class was supported by working class settlers. This took both direct and indirect forms. The settlers themselves were armed, although mainly dependent on the extensive military activity of government-financed troops. Settlers were driven in part by the ideological characterization of those they attacked as sub-human, and thus exempt from the respect due to human beings. Genocide was legitimized, made legal and acceptable.

In light of this analysis, it is, or should be, difficult today to sing today, without serious reservation, the much-loved socialist song written in 1940 by Woody Guthrie:

This land is your land, this land is my land,
From California to the New York island,
From the redwood forest to the Gulf Stream waters,
This land was made for you and me.

The inability to recognize the genocide of Native Americans must be recognized as major flaw in the socialist thinking of the past and present working class of the United State and other similar countries. This was true even of those who were themselves fleeing exploitation and oppression.
There were indeed early socialist movements in countries such as the United States such as in the formation, for example, of Owenite communities that were established on the basis of equality between their members, and socialists were uniformly active in the abolitionist movement, but active opposition to genocide was not a significant component of these movements.

While US socialists were uniformly against slavery, there was little if any recognition of the extent to which they were the continuing beneficiaries of the genocide of the indigenous people of North America. Leo Huberman, a well-respected Marxist historian and the later co-founder with Paul Sweezy of *Monthly Review,* was the author in 1932 of an account of US history entitled *We the People.* While deploring the genocide of the early centuries, he wrote in praise of the pioneer who “fed himself, sheltered himself, clothed himself,” and whose rifle, “served two purposes; it was protection against the Indians, and also the means of procuring food” (2007: 101. Emphasis added). It would be many years before the US left, would acknowledge, let alone address, the role of the US working class in genocide. The 1970s saw a major upsurge in activity such as that of the American Indian Movement. Today Leonard Peltier, now aged 79, who was one of its major leaders and is said to be the longest-living political prisoner in the United States, having been imprisoned since 1977. While rightly demanding reparations for the victims of slavery, there is very little recognition within the US left of the history of US genocide and the current denial of the rights of Native Americans. There is a little more awareness now than in the past, but it has not impacted left politics in any significant way, and the left does not generally confront the history of US genocidal policies against Native Americans in any significant way. Without such introspection and recognition, the necessary condemnation of Israeli genocide rings somewhat hollow.

The Jewish colonial settlement of Palestine has similarities with, as well as differences from, that of the European settlement of the “New World.” Many Jewish immigrants to the US had themselves fled persecution. They, like millions of working-class Europeans, emigrated to the New World in the nineteenth and twentieth centuries. The Jewish population in the US rose from about 80,000 in 1880 to 1.5 million in 1920. There they became integrated into the class relations of US societies, and suffered from discrimination not only within the stratified working class but also within the ruling capitalist class. Many brought with them an understanding of class oppression and played a major role in socialist movements, but they were, as individuals, almost completely excluded from participation in the actual settlement of the land of Native Americans, even if they had wished to do so. Some of the early Jewish settlers similarly established socialist communities, such as the kibbutzim (in 1989 they constituted 2% of Israel’s total population). In these they sought to avoid replicating the class structures from which they had escaped. In such a project they were similar to nineteenth European socialists, and faced a similar difficulty in confronting the fact that they were established on “settled” land. They were, as individuals, almost completely excluded from participation in the actual settlement of the land of Native Americans, even if they had wished to do so.

But the goal of the establishment of a settler colony in Palestine was a very different response to their oppression. This goal was endorsed by the British in its 1917 Balfour declaration: “His Majesty’s Government views with favor the establishment in Palestine of a national home for the Jewish people.” The first official census by the British in 1922 estimated the number of Jewish people in Palestine as 83,694 out of a total population of 757,182.
The Jewish settlement of Palestine differs in several important respects from the European settlement in the Americas. It was not motivated primarily by the expansion of capital, but by the desire to provide a “home” for Jewish people. As such it was anticipated that Jewish immigrants who would there form a section of its labor force that was privileged relative to the Palestinians, resulting in a form of apartheid or “separate” development rather than the total expulsion of its non-Jewish residents. Gaza, however, served essentially as a prison camp for those who had been expelled. It is against the people of Gaza in particular that genocide is now being carried out following the brutal killings of October 7 carried out by Hamas-led residents of that territory.

For many Jewish people the establishment of the Israeli state included, as an ideological component, the belief that God had designated Israel as the land of his chosen people. (Palestinians have of course a different understanding of their historical relationship to the land). The millennial history of relations between Christians, Muslims and Jews cannot be understood without recognition of the religious forms of ideology. The importance of the Holocaust in leading Jewish people to seek to prevent this from ever occurring again cannot be underestimated. Nor can the role of Britain, the US, and the UN in the 1948 recognition of the state of Israel be ignored.

Nonetheless, there are enough similarities between what is going on today in Palestine and what took place in the US for us to learn something from that history.

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One way of understanding URPE’s history is in terms of the relationship between theory and practice as they played out in its development.

The war in Vietnam demanded an economic analysis, and URPE’s early members found this in particular in their study of imperialism. This was understood to provide theoretical support for the growing opposition to the war by the working class of imperialist countries such as the US. This in turn led to support for what was understood to be a socialist movement, although the term “socialism” was understood in many different ways. It was, however agreed to constitute opposition to “capitalism.” This brought URPE members, as economists, into opposition with the mainstream of the economics profession, and as political activists into opposition to the many forms of oppression within society. These including not only those that took the form of exploitation of those engaged in wage labor, but also those based on race and gender. These were the years of years of the civil rights movement and the growth of organizations such as the Black Panther Party, as well as the early days of second-wave feminism and the gay rights movement.

URPE’s contribution to these included its theoretical work on the economic and political structure of capitalist societies and for the founding of the Review of Radical Political Economics, to publish academic work that was “not acceptable” in mainstream economics journals. A significant part of this work thus consisted of a critique of mainstream economic theory. As such it addressed two different audiences. One was the people who were actual or potential participants in the ongoing struggles against exploitation and oppression, while the other was the economists whose work was understood to constitute a defense of capitalism.

An illustration of the overlap between the two can be seen in the history of the founding of the URPE Women’s Caucus. It took place at one of the URPE summer camps which were attended by URPE members and their families. The Caucus that was set up thus included not only women who were themselves radical political economists but the wives of male URPE members who had other occupations. Its demands related, therefore, not only to the limitations of current academic work and the side-lining of women URPE members in its activities, but to the oppression of all women. The name and goals of the Caucus were recently changed, and it is now named the Caucus of Women and Non-Binary People.

To understand URPE today, it is useful to recognize the extent to which its activity consists mainly of the publication of RRPE and is financed mainly by revenue from its publisher (Sage). RRPE now a “refereed” journal, has made a major contribution to the respect that is now paid within the economics profession to many radical political economists and their work, and made it possible for some of them to obtain employment within the colleges and universities of the United States. It is fair to say, however, that URPE, as an organization, has not played a significant role in current political movements. Instead, members who wished to do so set up organizations with this as their goal. The organizations founded by URPE members, which are doing valuable work today, include Dollars and Sense, CEPR, IPS, IWPR, PERI, and many...
others, and URPE can indeed claim credit for much of the academic training that its members have received.

It was, perhaps, predictable that URPE would become in practice more of a “professional” organization of radical political economists rather than one for the development of radical political economics. The difference between the two is significant, although the two are not incompatible. The promotion of radical political economics necessarily involves protection of the rights and well-being of those who are engaged in this, but that is not URPE’s primary goal. The dispute over the issuing by the URPE Steering Committee of an URPE statement on Palestine brought this difference into the limelight. It was suggested by a minority of members that URPE, as an organization, should not take a public stand on the major issues of the day, but this was not the position of the Steering Committee.

URPE derived its significance from the mass movements that were taking place in its early days. The decline of those movements in the following years undermined the base on which it was founded. Whether the upsurge in political activity today will enable it to regain this significance is not yet clear.

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Ukraine War Funding & Failed Russian Sanctions

Essay by Jack Rasmus

This past weekend, April 20, 2024 the US House of Representatives passed a bill to provide Ukraine with another $61 billion in aid. The measure will quickly pass the Senate and be signed into law by Biden within days.

The funds, however, will make little difference to the outcome of the war on the ground as it appears most of the military hardware funded by the $61 billion has already been produced and much of it already shipped. Perhaps no more than $10 billion in additional new weapons and equipment will result from the latest $61 billion passed by Congress.

Subject to revision, initial reports of the composition of the $61 billion indicate $23.2 billion of it will go to pay US arms producers for weapons that have already been produced and delivered to Ukraine. Another $14.1 billion is earmarked to replace weapons from US military stocks that have been produced and are in the process of being shipped—but haven’t as yet—or are additional weapons still to be produced. The breakdown of this latter $14.1 amount is not yet clear in the initial reports. One might generously guess perhaps $10 billion at most represents weapons not yet produced, while $25-$30 billion represents weapons already shipped to Ukraine or in the current shipment pipeline.

An additional $11.8 billion to finance current Pentagon operations in Ukraine—which sounds suspiciously like pay for US advisors, mercenaries, special ops, and US forces operating equipment like radars, advanced Patriot missile systems, etc. on the ground. In total, therefore, weapons already delivered to Ukraine, awaiting shipment, or yet to be produced amount to approximately $37 billion, with another $11.8 billion to the Pentagon, for a total of $48.4 billion.1

The remainder of the $61 billion includes $7.9 billion for financial assistance to Ukraine to pay for salaries of government employees through 2024.2 Another $3.6 billion is for international security assistance, whatever that is.3

In other words, only $14.1 billion of the $61 billion is for weapons Ukraine does not already have!

And that $14.1 billion is all Ukraine will likely get in new weapons funding for the rest of 2024! Like the $23 billion already in theater, that will likely be burned up in a couple of weeks this summer once Russia’s coming major offensive—its largest of the war—is launched in late May or early June. So, what does the US do in order to continue to fund Ukraine’s economy, government and military efforts this fall and thereafter?

In other words, what’s the Biden/NATO strategy for aiding Ukraine, militarily and economically, after the $37 billion for weapons is expended by late this summer? Where is the money to come from?

To understand how the US/NATO plan to fund subsequent weapons production for Ukraine in late 2024 and early 2025, one must consider not only the $61 billion bill but a second bill also
passed by Congress this past weekend that has not been given much attention in the mainstream media.

That second bill may potentially provide up to $300 billion for Ukraine from USA and its G7 allies, especially NATO allies in Europe where reportedly $260 of the $300 billion resides in Eurozone banks.

**Biden/US Short Term Strategy 2024**

The $61 billion is clearly only a stopgap measure to try to get the Ukraine army and government funded through the summer. Beyond that, the broader Biden strategy is to keep Ukraine afloat until after the US November elections. In addition to the $61 billion—which the US hopes will get Ukraine through the US November election (but likely won’t)—US strategy includes getting the Russians to agree to begin some kind of negotiations. The US will then use the discussions to raise a demand to freeze military operations on both sides while negotiations are underway. But Biden’s ‘freeze and negotiate’ strategy is dead on arrival, since it is abundantly clear to the Russians it is basically about US and NATO ‘buying time’ and Russia has already been played by that one. As the popular US saying goes: “fool me once shame on you; fool me twice shame on me”.

The Russians already fell for that ‘let’s suspend fighting and negotiation ploy’ with the Minsk II treaty back in 2015-16. It agreed to halt military operations in the Donbass back then but NATO and the Ukraine government used the Minsk agreement as cover to re-build Ukraine’s military force which it thereafter used to attack the Donbass provinces. European leaders Angela Merkel of Germany and Francois Holland of France thereafter publicly admitted in 2022 that Minsk II was just to ‘buy time’.

The Russian’s were again similarly snookered at the Istanbul peace discussions held in April 2022. They were asked by NATO to show good faith in negotiations by withdrawing their forces from around Kiev, which they did. Negotiations were then broken off by Zelensky, on NATO’s strong recommendation, and Ukraine launched an offensive chasing the withdrawing Russians all the way back to the Donbass borders.

Russia is therefore extremely unlikely to fall a third time for a Biden/NATO request to freeze military operations and negotiate again. Biden may want to ‘buy time’ once more, but that hand’s been played twice already and the West will be (is being) told by Russia they are not interested in buying anything from the West and its ‘money’ no longer has any value.

**Speaker Johnson’s Volte Face**

The passage of the stop-gap $61 billion for Ukraine by the US House of Representatives was the result of House Speaker, Johnson, doing an about face and allowing the vote on the House floor after saying he would not for weeks.\(^4\) There’s been much speculation in the US mainstream media as to why Johnson reversed his position and allowed the Ukraine aid bill to the House floor for a vote. However, it’s not difficult to understand why he did reverse his view.

In recent weeks, there was intense lobbying behind the scenes by US weapons companies with key Republican committee chairmen in the House. After all, at least $37 billion in payments for weapons—both already delivered and to be delivered—was involved. Not a minor sum even for
super-profitable companies like Lockheed, Raytheon and the like. Rumors are that corporate lobbying had its desired effect on Republican committee chairs in the House, who then in turn pressured Johnson to allow the vote on the floor. The final vote in the House was 310 to 111 with 210 Democrats joining 100 Republicans to pass the measure—revealing that the core support for the US Military Industrial Complex in the House of Representatives is at least three-fourths (the US Senate likely even higher).

So, the vote was the result of a ‘parliamentary maneuver’ in which all the Democrats crossed over to support the Republican Speaker of the House (who de facto switched parties for the moment). A minority of Republicans joined him. A slim majority of Republicans opposed the measure. Their opposition remains. Thus, it is highly unlikely Congress will appropriate more funding for Ukraine for the rest of this year—even when the $61 billion for weapons and Ukraine’s government run out by this late summer.

So, what happens if and when the $61 billion is exhausted well before the November elections?

A possible answer to that question lies in the passage of a second Ukraine funding measure this past weekend. The $61 billion was not the most important legislative action in the US House. While most of the media commentary has been on that Ukraine aid bill, hardly anything has been said in the mainstream media about another bill that the US House also passed over the weekend. This second measure has greater strategic implications for US global interests than the $37 billion in actual weapons shipments for Ukraine. This second measure is HR 8038, a 184-page bill misnamed the ‘21st Century Peace Through Strength Act’ which amounted to yet another package (the 16th?) of US sanctions.

**Transferring Russia’s $300 Billion Assets to Ukraine**

The first section of the bill arranges a procedure for the US to force the sale of the China company, TikTok\(^5\) to a consortium of US financial investors, reportedly led by former US Treasury Secretary under Trump, Steve Mnuchin. This is part of the expanding list of sanctions on China. Also sanctioned are China purchases of Iranian oil, as well as a host of additional sanctions on Iran itself. However, the most significant measure related to sanctions on Russia.

The 21\(^{st}\) Century Peace Through Strength Act calls for the US to transfer its $5 billion share of Russia’s $300 billion of seized assets in western banks that were frozen in 2022 at the outset of the Ukraine war. It provides a procedure to hand over the $5 billion to Ukraine to further finance its war efforts! This move has been rumored and debated in the USA and Europe since the assets were seized two years ago. But now the process of actually transferring the seized funds to Ukraine has begun with the passage of this second bill by the US House.

The USA’s $5 billion share in US banks is just a drop in the bucket of the $300 billion. Russia could probably care less about it, i.e. a mere ‘rounding error’ in its total revenue from sale of oil, gas and other commodities. But Europe holds $260 of the $300 billion, according to European Central Bank chair, Christine LaGarde. A tidy sum which Russia has threatened to retaliate against Europe should the EU follow the US/Biden lead and also begin to transfer its $260 billion to Ukraine.

The US bill is very clear that the transfer of the US’s $5 billion is imminent. The bill requires the Biden administration to establish a ‘Ukraine Defense Fund’ into which the US’s $5 billion will
be deposited. If parts of the $5 billion are not in liquid asset form, the US president is further authorized by the bill to liquidate those assets and deposit the proceeds in the fund as well. So the seizure and transfer of the $5 billion to Ukraine is a done deal. And when it happens a legal precedent will be made that Europe may use to follow and transfer its $260 billion.

One can expect the US to pressure Europe strongly to do so. Biden is further authorized by the bill to ‘negotiate’ with Europe and other G7 partners to convince them to do the same—i.e. seize their share of the $300 billion, liquidate and then transfer the cash assets into the US ‘Ukraine Defense Fund’. And to date the US has been able to ‘convince’ Europe—via its control of NATO and influence over Europe’s economy and its umbrella political elites in the European Commission and European Parliament—to follow US policy without too much resistance. Europe is fast becoming an economic satrapy and political dependency of the USA in recent decades, more than willing to bend in whatever policy direction the USA wants.

It is clear the seizure & redistribution to Ukraine of the $300 billion via the Ukraine Defense Fund is the means by which the US/NATO plan longer term to continue to finance the Ukraine war after the $61 billion runs out sometime in 2024; and certainly in 2025 and beyond. For the US has no intention of ending its NATO led proxy war in Ukraine anytime soon. It is just seeking to ‘buy time’ in the interim before its November elections.

For a majority of both parties in the US—Democrat and Republican—are united on continuing the war. It will matter little who wins the presidency or which party has majorities in Congress after November. Political elites on both sides of the aisle in Congress are united in pursuing the war in Ukraine—just as they are united in continuing to fund Israel as well as to continue the US’s steadily expanding economic war with China. In just the past week it is obvious more US sanctions on China are also coming soon, including possibly announcements of financial sanctions on China for the first time after US Secretary of State, Blinken’s, most recent visit.

**Failed Russian Sanctions: Past and Future**

The geopolitical objectives of the US and its commitment to continuing its three wars (Ukraine, Israel-Gaza, Yemen-Red Sea) are resulting in unintended, negative effects on the economies of the US and its G7 allies, especially Germany. But those same sanctions have had little to no negative impact on Russia’s economy.

The recently passed US transfer of its $5 billion share of Russia’s $300 billion will accelerate the negative consequences especially for Europe should the latter follow the US lead and distribute its $260 billion share to Ukraine, which it eventually will.

As EBC chairperson, Lagarde, put it referring to the US plan and legislation: “It needs to be carefully considered.”6 UK political leaders are already on record advocating the confiscation and transferring of Europe’s $260 billion holdings of Russian assets to Ukraine. Europe in recent years has a strong history of capitulating to US economic policies and demands. It will be no different this time.

Should Europe join the USA in transferring its $260 billion share of Russian assets in European banks (most of which is in Belgium), it’s almost certain that Russia will reply similarly and seize at least an equal amount of European assets still in Russia. The Russian Parliament has officially recently said as much.
Part of the G7/NATO sanctions to date included forcing western businesses in Russia to liquidate and leave Russia. Some have done so. But many have not. Russia’s response has been to arrange the transfer of those EU company assets that have left to Russian companies. This has actually stimulated the Russian economy. It resulted in Russian government subsidies—and thus government spending—to Russian companies assuming the assets, as well as additional investment by those companies after their acquisition of the departed EU companies’ assets.

In short, western sanctions measure pressuring western companies to leave Russia has backfired in its predicted result of reducing Russian government spending and business investment.

In contrast, the US/NATO’s fifteen or so sanctions packages to date have had little, if any, impact on Russia’s economy since the commencing of the war in February 2022. To cite just a few of the performance of Russia’s key economic indicators under the sanctions regime: (Note: all following data is from the US global research source https://tradingeconomics.com):

Russia’s GDP in the latest six months has risen between 4.9% (3rd quarter 2023) to 5.5% (4th quarter). Russia’s PMI statistics show robust expansion for both manufacturing and services during the same period while in most of the major European economies both PMI indicators are contracting. Wage growth in Russia over the six months has averaged 8.5% for both quarters (whereas in the US is it less than half that and in Germany less than 1%). Russian government revenues rose from roughly 5 trillion rubles in the third quarter to 8.7 trillion in the 4th. Military expenditures are up from $69.5 billion (dollars) to $86.3 billion. Consumer spending is at record levels in the latest quarter. Russian household debt as a percent of GDP remains steady at around 22% (whereas in the USA it is 62.5%). Crude oil production and general exports continue to steadily rise. Gasoline remains at 60 cents a liter (whereas in US five-six times that and in Europe more than ten times). And the unemployment rate in Russia remains steady at 2.9% (whereas in the US and Europe it is a quarter to a half higher). Interest rates and inflation are higher in Russia but that represents an economy firing on all economic cylinders and is not necessarily a negative.

In short, it is hard to find a single statistic that shows the Russian economy has been negatively impacted by the US/NATO sanctions regime over the past two years. Indeed, an argument can even be made the sanctions have stimulated the Russian economy not undermined it.

The latest sanction in the form of the US and G7 transfer of the $300 billion in seized Russian assets in western banks will almost for certain have a similar effect on Russia’s economy. Namely, distributing the $300 billion will result in Russian government seizure of at least an equivalent of European companies’ assets still in Russia. And that will provide funding for still further government subsidy spending benefiting Russian companies followed by more private investment.

**Is the US Empire Shooting Itself in the Foot?**

There is an even greater consequence to follow the US and Europe’s desperate act of transferring Russia’s $300 billion in assets in western banks to Ukraine.

Western bankers, economic policymakers, and many economists alike have warned against the seizure and transfer of the $300 billion. Heads of US and other central banks, CEOs of large commercial banks, and even mainstream economists like Shiller at Yale have continually
warned publicly that transferring the assets will seriously undermine faith in the US dollar system which is the lynchpin of the US global economic empire.

Which countries in the global South will now want to put (or leave) their assets in western banks, especially in Europe, if they think the assets could be seized should they disagree on policies promoted by the empire? It is clear the US has now begun to impose secondary sanctions on countries that do not abide by its primary sanctions on Russia. Will the US also seize the assets of these secondary countries now in western banks if they do not go along with refusing to trade with Russia? And what about China, as the US has now begun to expand its sanctions—primary and secondary—on that country as well? Watch for unprecedented financial sanctions on China that may be forthcoming following Blinken’s visit to China this week.

The US does not realize this is not the 1980s. The global south has developed massively in recent decades. They are insisting on more independence and more say in the rules of the empire—without which they will simply leave now that an alternative is beginning to appear in the expansion of the BRICS countries.

Recently expanded to 10 members (all of which are in the middle east and heavily oil producers), no fewer than 34 more countries have now petitioned to join the BRICS. Furthermore, it is reported that at the BRICS next conference in late 2024 an ‘alternative global financial framework’ will be announced! That will likely include some alternative currency arrangement as well as an alternative international payments system to replace the US SWIFT system by which the USA via its banks can see who is violating its sanctions). Likely forthcoming will be something to replace the US-run IMF in order to ensure currency stability and an expansion of China’s Belt & Road as an alternative to the US run World Bank. (Perhaps that is the real topic of Blinken’s forthcoming China visit?)

In short, the US global economic empire is entering its most unstable period. And yet US policy is to accelerate alternatives to it by seizing and transferring funds to Ukraine to continue the war! The blowback from the seizure and transfer will prove significant, both to US and European interests. It will render past resistance to US sanctions pale in comparison.

**How to Crash an Empire!**

History will show that US geopolitical objectives and strategies in the 21st century were the single greatest cause of the decline of US global economic hegemony over the last quarter century. Much of those objectives and strategies have been the work of the most economically ignorant foreign policy team in US history, who are generally referred to as the Neocons.

The seizure and transfer of the $300 billion may provide a way to continue funding Ukraine in the US/NATO proxy war against Russia through 2024 and beyond. But the timing could not be worse for US/Europe imperial interests, coming on the eve of the historic BRICS conference later this year. The desperate act of seizure and transfer will only convince more countries of the global South to seek another more independent alternative by joining the BRICS, or increasingly trade with that bloc.

History shows empires rest ultimately on economic foundations. And they collapse when those underlying economic foundations fracture and then crumble.
The longer run consequence of the $300 billion transfer and the exiting of the global South from the US empire can only be the decline in the use of the US dollar in global transactions and as a reserve currency. That sets in motion a series of events that undermine the US domestic economy in turn: Less demand for the dollar results in a fall in the dollar’s value. That means less recycling of dollars back to the US, resulting in less purchases of US Treasuries from the Federal Reserve, which in turn will require the Fed to raise long term interest rates for years to come in order to cover rising US budget deficits. All this will add to an intensifying fiscal crisis of the US state rapidly deteriorating already.

In other words, blowback on the US economy from declining US global hegemony—exacerbated by sanctions in general and seizure of countries like Russia’s assets in particular—is almost certain in the longer run, just as it will be for Europe’s economy in the even more immediate term.

But such is the economic myopia of the US neocons and the incompetent political elite leadership in both parties in the USA in recent years. As that other American saying goes: ‘We have found the enemy and they are us!’

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5 http://www.PBS.org/newhour/economy/former-Treasury-secretary-Mnuchin-aims-to-buy-TikTok
6 https://ft.com/content/f4996537-329d-4946-821e-67d11-f592867
7 https://zerohedge.com/geopolitical/robert-shiller-warns-cataclysm-us-dollar-reserves-status-if-confiscated-russian-assets
8 https://infobrics.org/news/economy/?page=2
9 Mike Maharrey ‘A BRICS Alternative to the SWIFT payments system could accelerate De-Dollarization’ available at https://infobrics.org/post/40992

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What Ukrainian Military Failure Will Mean

Essay by Daniel Lazare

Well into its third year, the war in Ukraine has resulted in tens of thousands of deaths, countless injuries, and bombed-out cities and towns in a battle line 50-percent longer than the western front during World War I. Politically, its effects continue to reverberate around the globe. It is causing deep divisions within NATO, it has forced three disparate nations – the Russian Federation, the People’s Republic of China, and the Islamic Republic of Iran – to band together in a common anti-western alliance, and it is riling the global south. It is also riling the United States by providing yet more fuel for the ideological fires on Capitol Hill.

Yet the process is only beginning. Of all the US foreign-policy disasters to unfold in the 21st century – Afghanistan, Iraq, intervention in Libya, proxy war in Syria, endless coddling of an expansionist regime in Israel – Ukraine may well turn out to be the worst. The three most important reasons, as the realtors like to say, are: location, location, location. It is not a “quarrel in a faraway country between people of whom we know nothing,” to quote Neville Chamberlain, such as perhaps civil war in Ethiopia, the Congo, or the Sudan, conflicts that western media woefully neglects. Instead, it is a festering sore on the edge of the capitalist core. Refugees are making their way from Poland to Spain, aid packages are the subject of intense debate in Brussels, Paris, and Berlin, while politics are in turmoil in eastern Europe from the Black Sea to the Baltic.

If the war were to end tomorrow in a decisive western victory, many of those ill effects would vanish. But it won’t. Not only is it unwinnable from a Ukrainian perspective, but the longer it goes on, the more unfavorable Kiev’s position will become. Territorial concessions will be more likely rather than less, as will at least some degree of “Finlandization” under Russian oversight. The United States tends to view such conflicts through the lenses of the “good war” in which total victory ends in democracy and prosperity rising from the ashes. But the Ukrainian conflict is not that kind of war; rather, it is a sickness that can only intensify, not only in Ukraine itself, but across the entire western alliance.

Intractable problems like Ukraine are never simple, but, rather, the product of complex chemical reactions involving politics, geography, religion, and whatnot. Sorting them out can take a lifetime. Still, one person in this story stands out: Zbigniew Brzezinski, Jimmy Carter’s aggressive national security adviser from 1977 to 1981. Once described as “the first Pole in 200 years who has had a chance to stick it to the Russians,”1 Brzezinski played a key role in shaping US intervention in Afghanistan in 1979-81, an exercise in proxy warfare that gave us Al Qaeda, 9/11, and 20-plus years of terrorism. Beginning in the 1990s, he played a no less important role in shaping American intervention in Ukraine, with results that may prove even more disastrous. The common denominator in both is anti-communism, Russophobia, a predilection for sweeping geopolitical generalizations of the most unhinged sort, plus a tin ear when it comes to the real-life consequences.

Brzezinski therefore sheds light on how the crisis arose and how it may play out. The saga goes back at least to 1992 when, in a discussion at the Center for Strategic and International Studies in
Washington, where he was now serving as a trustee, “Zbig” shared a few thoughts about the region’s growing significance:

“...if one were to look at the map of Europe in the course of this century, I think one would be compelled to conclude that the emergence of Ukraine as a truly independent state is one of perhaps three most important changes in the geopolitical contours of Europe.... The first would involve the collapse of imperial Germany and of the Austro-Hungarian Empire in the wake of World War I.... The second historically important change was, of course, the division of Europe into two parts as a consequence of World War II and, in that context, Soviet supremacy over half of Europe. The third most important change in the map of Europe is indeed the emergence of Ukraine because it signifies the sudden appearance in Europe of a state with more than fifty million people whose very existence terminates the existence of the Russian Empire....”

But Ukraine was important for another reason: it was where he was from. Although he was born in Warsaw in 1928, the Brzezinski family, members of the Polish szlachta gentry, hailed from the eastern hinterlands not far from today’s Lviv (known then as Lwów), an area that the Big Three later transferred to Ukraine at the Tehran Conference in 1943. For Brzezinski, the country was part of his roots. It was natural that he would focus on it now that it was back in play thanks to the Soviet collapse.

The next chapter occurred in 1997 when The Grand Chessboard, a collection of Brzezinskian ruminations on the direction of US foreign policy, turned into a surprise bestseller. Ukraine was still the key to controlling Russia. As The Grand Chessboard noted: “...if Moscow regains control over Ukraine, with its 52 million people and major resources as well as its access to the Black Sea, Russia automatically again regains the wherewithal to become a powerful imperial state, spanning Europe and Asia.” Conversely, if Ukraine remained free, then Russia would remain weak and divided.

But now Ukraine was the key to even more since a tamed and subdued Russia meant that the US-led western alliance would be able to penetrate into Russia’s vast backyard:

“Large-scale international investment in an increasingly accessible Caspian-Central Asian region would not only help to consolidate the independence of its new countries but in the long run would also benefit a post-imperial and democratic Russia. The tapping of the region’s energy and mineral resources would generate prosperity, prompting a greater sense of stability and security in the area, while perhaps also reducing the risks of Balkan-type conflicts. The benefits of accelerated regional development, funded by external investment, would also radiate to the adjoining Russian provinces, which tend to be economically underdeveloped.”

But what was essential, The Grand Chessboard went on, was “to make certain that no state or combination of states gains the capacity to expel the United States from Eurasia or even to diminish significantly its decisive arbitrating role.” Either a Pax Americana would preside over the region or there would be no pax at all.

Not only was Ukraine the key to Russia, but also to Central Asia. The Grand Chessboard can’t help but call to mind another scholarly tome that also turned into an unexpected bestseller. This
was James Kennedy’s Rise and Fall of the Great Powers, published in 1987. A 1,000-page scholarly survey of imperial expansion and retreat from the Ming Dynasty on, it caught the public imagination the same way The Grand Chessboard would a decade later. Tonally, however, the two works were worlds apart. Kennedy’s policy prescriptions were modest to the point of being self-effacing. With America falling victim to “what might roughly be called ‘imperial overstretch,’” Rise and Fall argued that it was time for the US to “manage” affairs so that the relative erosion of the United States’ position takes place slowly and smoothly, and is not accelerated by policies which bring merely short-term advantage, but longer-term disadvantage.”

A managed retreat was the best an over-extended US could hope for, a prescription that provoked neo-conservatives to a fury. But The Grand Chessboard was the opposite. Released around the same time as Mike Myers’s James Bond spoof, Austin Powers: International Man of Mystery, it also laid out a plan for global conquest, although not quite so amusingly. “To put it in a terminology that hearkens back to the more brutal age of ancient empires,” it declared, “the three grand imperatives of imperial geostrategy are to prevent collusion and maintain security dependence among the vassals, to keep tributaries pliant and protected, and to keep the barbarians from coming together.” The idea was to keep the peace among the warring tribes so as rearrange them in a pattern conducive to US interests. Hence:

- NATO should continue its eastward expansion so as to “consolidat[e], to the benefit of both America and Europe, the democratic gains won through the successful termination of the Cold War.

- The US should break Russia up into three parts, “a European Russia, a Siberian Republic, and a Far Eastern Republic,” so that the resulting loose confederation could better “cultivate closer economic relations with Europe, with the new states of Central Asia, and with the Orient.”

- America should then maneuver China into “a Trans-Eurasian Security System that for the first time would span the entire continent.”

Brzezinski went on:

“The shaping of that system – defining its substance and then institutionalizing it – could become the major architectural initiative of the next decade.... Such a broad transcontinental security framework could also contain a standing security committee, composed of the major Eurasian entities, in order to enhance TESS’s ability to promote effective cooperation on issues critical to global stability. America, Europe, China, Japan, a confederated Russia, and India, as well as perhaps some other countries, might serve together as the core of such a more structured transcontinental system. The eventual emergence of TESS could gradually relieve America of some of its burdens, even while perpetuating its decisive role as Eurasia’s stabilizer and arbitrator.”

America would supervise a co-prosperity sphere extending from Spain and Portugal to Sri Lanka and the Pacific Rim. China, India, Iran, et al. would not kowtow to the US, at least not exactly.
But all would defer to “the indispensable nation.” Already the world’s pre-eminent power, US global governance would grow ever more immediate and direct.

The influence of Halford Mackinder in all this is all too clear. Mackinder, of course, is the famous British geographer who, in a 1904 lecture entitled The Geographical Pivot of History, outlined a theory of Eurasia as a kind of font of global hegemony. Thanks to the composite bow and seemingly endless horsepower, steppe leaders from Attila the Hun to Tamerlane had humbled and subdued mighty empires from China to Persia and Rome. The steppe, a belt of grasslands stretching from Hungary to Manchuria, was the axis around which all else turned. In Democratic Ideals and Reality, a book published in 1919, Mackinder boiled down his “heartland” theory into three simple propositions:

- Who rules East Europe commands the Heartland.
- Who rules the Heartland commands the World Island.
- Who rules the World Island commands the World.

To which The Grand Chessboard had added a fourth proposition: who rules Ukraine commands East Europe. Where other countries had set out to conquer the globe, Brzezinski believed he had come up with a way to achieve it. And Ukraine was where it would all start.

It is important to get the sequence straight. Mackinder’s heartland thesis did not cause US foreign policy to zero in on Ukraine. To the contrary, the Soviet collapse caused it by creating a power vacuum that America now hastened to fill. Mackinder, as refracted through Brzezinski, merely provided a theoretical justification for the aggressive assertion of US power. The New Zealand scholar Tim Beal points out Mackinder went out of fashion after 1945 when the Eurasian heartland came back under Soviet control and was therefore seemingly out of reach. But once the Soviet Union began to falter, Mackinder was back. In 1988, Ronald Reagan’s National Security Strategy declared that “the United States’ most basic national security interest would be endangered if hostile state or group of states were to dominate the Eurasian landmass – that area of the globe often referred to as the world’s Heartland.” The US National Defense University issued a reprint of Democratic Ideals and Reality in 1996. The Grand Chessboard’s role in 1997 was to raise the idea to a new level of prominence.

The rest is well known. The neocon surge that began under Secretary of State Hillary Clinton in 2011 and continued under her protégé, Assistant Secretary of State Victoria Nuland, provided the impetus needed to put Brzezinski’s plan into action. In the wake of the 2007-08 financial crisis, Ukrainian politics, a study in controlled chaos under the best of circumstances, began unraveling even more as corruption spiraled, the currency weakened, and power oscillated ever more violently between the Russophone east and the Ukrainian-speaking west. In 2011, pro-Russian president Viktor Yanukovych oversaw the jailing of longtime rival Yulia Tymoshenko on corruption charges. In 2012, he oversaw the imprisonment of another rival, Yuriy Lutsenko, for abuse of office. In the same year, he entered into negotiations with the European Union over Ukraine’s bid for official candidate status, a move that immediately raised hackles in Moscow. With Yanukovych vacillating between Russia and the EU and the atmosphere growing increasingly explosive, demonstrators set up a protest camp in central Kiev to press for the president’s removal.
It was almost a dry run for the political meltdown now underway in the US, complete with geographical polarization, legislative deadlock, political prosecutions, and cries of rigged elections. As the Euromaidan protests gathered steam, Nuland told an audience in Washington that America had invested more than $5 billion in Ukraine to help it “achieve its European aspirations.” In fact, the US had invested $5 billion in a Ukrainian faction centered in Lviv, near the Brzezinski ancestral home, to help it strengthen relations with NATO and the EU so as to shut out the Russian-speaking east. Two months later, Brzezinski assured the Senate foreign-relations committee that “Ukrainian national patriotism is a recently reborn phenomenon, but it is fervent and authentic” and hence worthy of support. Fervent it was since hundreds of followers of the World War II Nazi collaborator Stepan Bandera were at that moment making their way from Lviv to Kiev in order to spearhead a reactionary revolt. As the New York Times later wrote, “young militants of sometimes sinister, far-right political affiliations ... [were] provid[ing] much of the front-line muscle in increasingly bloody clashes with the police.” Other Ukrainians were horrified, the Times added. “We have a genetic memory of fascism here,” said a businessman in the eastern city of Dnepropetrovsk, now known simply as Dnipro. But it didn’t matter. The US was committed to a far-right nationalist alliance, and that was that. Ukraine promptly splintered. To prevent the new nationalist government in Kiev from taking back Russia’s Sevastopol naval base – located in Ukrainian territory but operated under a long-term lease – the Kremlin took control of the Crimean Peninsula a few days later. “You just don’t in the 21st century behave in 19th-century fashion by invading another country on a completely trumped-up pretext,” fumed Secretary of State John Kerry, forgetting that, as a US senator, he had voted for an equally trumped-up invasion of Iraq a dozen years earlier. Once Ukrainian nationalists massacred 46 people in Odessa by trapping them in the local Trade Unions House and setting it ablaze, civil war was on. More than 14,000 deaths would be recorded over the next nine years in the Donbas, two-thirds of them on the anti-Kiev, pro-Russian side. Putin’s “special military operation” was the inevitable follow-up. Three months earlier, the US and Ukraine had signed a “strategic partnership” aimed at, among other things, taking back the Crimea, Sevastopol included. Russia regarded the agreement as a casus belli and responded accordingly. This does not mean that the Russian attack was right. Indeed, it is hard to justify a cross-border invasion other than to ward off an imminent attack. But relentless US interference in Ukrainian internal affairs to the point of urging on a coup d’état is not right either. Not only is that what the United States did, but Nuland was then caught on the telephone hand-picking members of the post-coup government. Considering Washington’s fury over small-scale Russian interference in the 2016 election, it is plain that America’s rules-based international order rests on a simple principle: one law for me, another for thee. Washington sets the rules for others to obey. So what happens now? Once again, Brzezinski’s grand strategy fairly overflows with unanticipated consequences. If Ukraine had won, everything would be fine from a western perspective. But despite Kiev’s initial successes, it never really had a chance. Ukraine is simply too small, poor, corrupt, and disorganized to prevail against a country with more than four times as many people and 14 times as much economic clout. (Ukrainian GDP was $160.5 billion as of
2022 according to the World Bank, whereas Russia’s was $2.24 trillion.) In the end, what the Russo-Ukrainian conflict resembles most is the 105-day Winter War that erupted between Finland and the Soviet Union in late 1939. Despite initial success, Finns had no choice but to give way before the slow-moving Soviet war machine. Just as they wound up making major territorial concessions, Ukrainians will as well.

A range of outcomes seems possible. At one extreme is a wholesale Ukrainian collapse combined with a forward Russian sweep across the entire country. This would be the equivalent of the Red Army marching into Helsinki in 1940. If so, the results seem clear: a flood of refugees, panic along the entire “intermarium” from the Balts to Moldova, and massive mobilization in NATO as a whole. The emergency would be profound.

But a more modest scenario is probably more likely. This would involve steady Russian advances as Ukrainian forces grow increasingly depleted and Kiev finally gives in to the sort of negotiations that Washington has long opposed. Russian demands in such an instance would seem clear: cessation of all claims to the Donbas and Crimea, surrender of portions of the Black Sea littoral up to and possibly including Odessa, demilitarization, and a severing of all NATO ties. Scores of statues, monuments, and street signs that have gone up in honor of Bandera and his fellow Nazi collaborators since 2014 would have to come down. Schoolchildren would no longer sing, “Our father is Bandera, Ukraine is our mother.” This would be an unbearable humiliation for Ukrainian nationalists after so much bloodshed and sacrifice. But wouldn’t it be better than total obliteration?

It would – but not by much. War can be thrilling for those lucky enough to win, but entirely the opposite for those on the other side. Demobilized Wehrmacht veterans had it bad enough in Germany (see Rossellini’s 1948 film, Germany Year Zero, for further details). But while they were thoroughly crushed, they were fortunate enough to be part of an economy that, by 1948-49, was roaring back to life. But it’s hard to imagine a broken and depleted postwar Ukraine roaring back in any comparable fashion. Tens of thousands of “demobbed” Ukrainians will therefore find themselves wandering across an impoverished landscape in which bribery and corruption are once more in the ascendant. What happens when they head west in search of jobs and opportunities? Is Europe ready for thousands of battle-scarred veterans with advanced military training and, in many cases, pro-Nazi sympathies? Will they become foot soldiers for a burgeoning ultra-right, drug-gang enforcers, or perhaps a bit of both?

There are broader political consequences as well. While hardly the satanic figure depicted in the western press, there is no question that Vladimir Putin is a conservative nationalist in the mold of Marine Le Pen or Giorgia Meloni. Growing Russian influence will thus tip politics to the right in a continent in which ultra-conservatives are already making rapid advances. If Donald Trump becomes president, it will tip them even more as two rightwing strongmen clasp hands over a once-democratic continent. This means nationalism, protectionism, xenophobia, and traditionalism, forces that are strong now and bound to grow even more so. Refugees from Africa and the Middle East will receive the coldest of cold shoulders, and Muslims will be forced to hunker down. Although Jews currently enjoy something like favored-nation status – pro-Zionist Jews, that is – it won’t be long before anti-Semitism rears its head.
Will a newly-resurgent Russia meanwhile stand by meekly as Baltic states like Estonia and Latvia continue to discriminate against their own Russian-speaking minorities? Now that the Russian military is feeling its oats, how will it respond if NATO stations missiles along its border frontier? Will it feel compelled to up the ante in response? A dozen possibilities loom, none pleasant.

The parallels with Brzezinski’s misadventure in Afghanistan are striking. A few days after Jimmy Carter unveiled the so-called Carter Doctrine in January 1980 declaring that “an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States” – a statement that his national security adviser wrote – Brzezinski traveled to an Afghan refugee camp in neighboring Pakistan where he tried out a Chinese-made machinegun and assured the assembled mujahideen that the world was on their side. Thousands of rootless Muslim men who went on to serve as holy warriors with US-Saudi backing then became foot soldiers for Al Qaeda and Islamic State, spreading terror not only across Afghanistan, but the Middle East and much of the west too. In the gulf itself, the Carter Doctrine ushered in a generation of blood and horror: the Iran-Iraq War beginning the following September, the Gulf War in 1990-91, the US invasion of Afghanistan in 2001, and the invasion of Iraq in 2003.

We can expect something similar in the wake of Brzezinski’s failed misadventure in Ukraine, which is to say more military conflict and turmoil. Again, the only difference will be where it occurs as violence previously confined to the periphery returns to the capitalist center.

What hath Zbig wrought? Why did the American empire encourage him at every turn? Such questions will loom ever larger as the bleeding wounds of Ukraine continue to fester and grow.

4 Ibid.
5 Ibid., 197.
7 Brzezinski, 39.
8 Ibid., 199-207.
9 Ibid., 207-208.


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URPE sponsors a series of panels at the Allied Social Science Associations meeting every year to provide a venue for the presentation and discussion of current research in heterodox economics. In addition, each year the RRPE publishes a selection from the papers presented in a Proceedings Issue.

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Please consult this link on the URPE website for more information on guidelines for submission and the JotForm links for submissions.

URPE Annual Report 2023


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The latest issue of the Review of Radical Political Economy (RRPE), Volume 56, Issue 2, June 2024 is now available here.

Articles in this issue include:

- Clarification and Application of the Category Profit on Alienation, by Alper Duman and E. Ahmet Tonak.
- Unproductive Labor and the Smile Curve, by Clair Quentin
- A Discussion of Marx’s Account of Technical Progress by Means of Wage Curves and Their Historical Evolution, by Michael Gaul
- On the Relationship between the Money Rate of Interest and Aggregate Investment Spending, by Vedit Inal
- Book review: Pollution is Colonialism, by Michael Keaney.