
A War of Self-Destruction

By Chris Hedges
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An attack on Iran, which Israeli and Bush administration officials appear set to carry out if Iranian uranium enrichment is not halted, would ignite a regional war in the Middle East and lead to economic collapse and political upheaval in the United States."

In short and simple terms, we would be plunged into a depression that would make the Great Depression of the 1930s in which I spent my childhood look like boom times," said William R. Polk, former professor of history at the University of Chicago and a member of the Policy Planning Council under President Kennedy. "Industries would fail, banks would collapse, government revenues would dry up, universities would have to close, health care, even as limited as it now is for roughly 75 million Americans, would virtually cease.

In short, something like [what] the South suffered at the end of the Civil War would plague the country."

The passage of vast amounts of oil and liquefied gas through the Persian Gulf would be disrupted. Iranian attacks, carried out with rocket- and bomb-equipped speedboats and submarines, would be deadly and effective. A classified Pentagon war game in 2002 simulated these swarming attacks by Iranian speedboats packed with explosives in the gulf; the Navy lost 16 major warships, according to a report in The New

York Times. Iranian oil, which makes up 8 percent of the world's energy supply, would instantly be taken off the market. And oil would jump to over \$500 a barrel and perhaps, as the conflict dragged on, to over \$750 a barrel.

Our petroleum-based economy would come to a halt.

Israel would be hit by Iranian Shahab-3 ballistic missiles. Hezbollah, with its new store of Iranian-supplied rockets that allegedly can reach any part of Israel, including Israel's nuclear plant at Dimona, would enter the conflict.

Israel would lash back. Terrorist attacks on U.S. targets would become frequent. U.S. casualties in Iraq would mount as the Iranians rained missiles down on U.S. bases and installations, including our imperial city, the Green Zone. Chaos and mayhem would grip the Middle East. The world financial markets would go haywire.

"Even at today's price, as you know, 14 airlines have gone out of business while others are hovering on the brink of bankruptcy and most have curtailed service and laid off personnel," said Polk, one of the country's leading scholars of the Arab world. "At double or triple today's price, none could fly unless nationalized. A whole range of other industries would be quickly drawn into the quicksand. Ironically, war would push America into a form of socialist economy."

The U.S. economy is already tottering. We recently witnessed the second-largest bank failure in U.S. history, and there are fears that as many as 150 banks could fail over the next 12 to 18 months. There will be 6.5 million foreclosures over the next five years, according to Wall Street analysts. The government is furiously pumping billions of taxpayer dollars into private corporations to keep them afloat. The Congress bailed out the shareholders of

Fannie Mae and Freddie Mac. These bizarre "government-sponsored enterprises" own or guarantee half the mortgages in the country-some \$5.1 trillion. The Federal Reserve evoked rarely used emergency powers to put billions of taxpayer dollars at risk to stop the meltdown of a non-bank, Bear Stearns, which it never regulated. More than \$300 billion has been written down so far. Losses, by the time we are done, could exceed \$1 trillion.

The already staggering debt generated by the war in Iraq would mushroom with an attack on Iran. Fighting wars in Iraq, Afghanistan and Iran, we would soon be struggling to pay off a debt of at least two or three times the present amount.

This is a weight the U.S. economy cannot bear, especially as the dollar tumbles against the euro and other major currencies. The government has borrowed abroad roughly a quarter of our annual national income in order to pay for the Iraq debacle. We have been told for the first time by a sovereign fund (South Korean, one of the world's largest) that it will no longer buy U.S. Treasury bonds. Nobel laureate Joseph Stiglitz estimates that the final cost of the war in Iraq, once all the hidden costs are added up, could be as high as \$7 trillion.

"Financial capitalism is crashing," wrote independent presidential candidate Ralph Nader. "So the lights are on late in Washington's Federal Reserve, SEC and Treasury Department trying to figure out how socialism (your tax dollars and credits) can once again bail out these big time gamblers with our money. Reckless, self-enriching capitalists get on your knees and thank the rescuing Washington socialists, for without them, you would surely be in chains."

A war with Iran would also have grave political consequences. The specter of millions of Americans driven out of their homes, no longer able to afford basic necessities, out of work and enraged, would, as it has throughout history, embolden messianic right-wing and proto-fascist movements. Given the potential for social unrest, basic freedoms would be curtailed and in some cases abolished in the name of order and national security. The radical fringes of the Christian right could rise up with a vengeance. They would happily ally themselves with an assortment of oddballs, lunatics and corporate behemoths from Blackwater mercenaries to frightened capitalists at Halliburton. It was economic collapse, along with a climate of fear and instability, that was used to build the fascist and communist movements that plagued Germany, Italy and the Soviet Union during the last century. These same forces led to the collapse of the former Yugoslavia. We are not immune to these distortions.

But maybe those who advocate a war with Iran know all this. Maybe this is what they want. Maybe they understand that a war with Iran would finally kill off our weakened and anemic democracy. Maybe they see this as the dawn of a new era, an era when the last impediments to a global totalitarian capitalism can finally be removed and we can all be ground under the corporate jack boot, from Shanghai to New Delhi to Ohio. There are huge corporations that make obscene profits from human misery. They run our health care industry. They run our oil and gas companies. They run our bloated weapons industry. They run Wall Street and the major investment firms. They run our manufacturing firms. They also, ominously, run our government.

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