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Chomsky Takes on the World Bank

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Noam Chomsky is a noted linguist, author, and foreign policy expert. On April 26, Michael Shank interviewed him about the conflict between Congress and the U.S. president over Iraq and Syria, the scandal enveloping World Bank head Paul Wolfowitz, and the nature of foreign debt.

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Michael Shank: Given that the U.S. Congress is no longer calling for binding timelines for troop withdrawal, how is this indicative of a broader struggle between the executive and legislative branches?

Noam Chomsky: There are a number of issues. One is the unitary executive conception. The Republican Party happens to be right now in the hands of a very extreme fringe. That goes from the legal system and the Federalist Society to the executive and so on. What they basically want, to put it simply, is a kind of an elective dictatorship. The chief executive should have total control over the executive branch. And the executive branch should dominate the other branches. That's an effective mode of authoritarian control, natural for those whose dislike of democracy goes beyond the norm.

There's a real fascist streak there, definitely. And Congress, to some extent, is trying to recreate more of a balance between the executive and legislative branch. So that's part of the struggle. Part of it is just that neither party is willing to face the consequences of a withdrawal from Iraq. It's not a trivial matter. First of all, there's almost no public discussion of the issues involved in the war. Why did we invade? Why don't we want to get out?

Shank: Right, it is minutiae now; it is troop numbers, timelines, etc.

Chomsky: That's right. I was listening to the National Public Radio tribute to David Halberstam the other day, and they had on Neil Sheehan, David Greenway, and others. They were talking correctly about these young reporters in Vietnam who with great courage stood up against power and told truth to power. Which is correct, but what truth did they tell to power? The truth they told to power was: "you're not winning the war." I listened through the hour and there were never any questions like: should you be fighting the war or should you be invading another country? The answer to that is not the kind of truth you tell to power.

In fact, it's rather similar to what critical journalists in the Soviet Union were saying in the 1980s. They were saying, "Yeah we're not winning the war in Afghanistan." From my point of view, that's not telling truth to power. Truth to power would be: why are you invading Afghanistan, what right do you have to commit crimes against peace and against humanity? But that question never came up. And the same is true in the discussion of Iraq. The question of whether it's legitimate to have a victory doesn't even arise. In fact, the current debate about Iraq reminds me very much of the dove/hawk debate over Vietnam.

Take, for example, Arthur Schlesinger, leading historian, Kennedy advisor, and so on. He was originally a strong supporter of the war during the Kennedy years. But by the mid-1960s, there was a mood spreading in the country generally, but also among the elites, that the war is not wise, it's harming us. Then he had a book that came out in 1966 called *Bitter Heritage*, which is very much like what's happening today. He was one of the extreme liberal critics

of the war by then. He said, "We all pray that the hawks will be correct in thinking that sending more troops will bring us victory. And if they are, we'll be praising the wisdom and statesmanship of the American government in winning a victory in a land that they've left in wreck and ruin. But it doesn't look like it's going to work."

You can translate that almost verbatim into the liberal dove critique of the war today. There's no question about whether we are justified in invading another country. The only question is: is this tactic going to work, or is some other tactic going to work, or maybe no tactic and it's costing us too much. And those are the limits of the presidential debates, the congressional discussion, and the media discussion.

That's why you can have debates such as those going on now about whether Iran is interfering in Iraq. You can only have that debate on the assumption that the United States owns the world. You couldn't debate in 1943 whether the Allies were interfering in occupied France. It was conquered and occupied by a foreign power. Who can interfere in it? In fact, it's the right thing to do, interfering. Or, say, Russia's Afghanistan: is the United States interfering in Afghanistan while the Russians conquered it? You'd crack up in laughter if you heard that question.

Those are the limits of discussion here. That's part of the reason the outcomes of the debates are so inconclusive. The issues are not discussable.

First of all there is the issue of legitimacy. Invading Iraq was the kind of crime for which Nazi war criminals were hanged at Nuremberg. They were hanged, primarily, for crimes against peace, i.e. aggression, the supreme international crime. Von Ribbentrop, foreign minister, was hanged. One of the main charges was that he supported a preemptive war against Norway. It's kind of striking that at the end of the Nuremberg tribunal, the chief counsel for the prosecution Justice Robert Jackson, an American justice, made some pretty eloquent speeches about the nature of the tribunal. After the sentencing, he said, "We're handing the defendants a poisoned chalice and if we sip from it we must be subject to the same charges and sentencing or else we're just showing that the proceedings are a farce." So if they mean anything the principles have to apply to us.

Try to find a discussion of that anywhere, either in the case of Vietnam or in the case of Iraq, or any other aggression.

Shank: Another schism opened up recently between the two branches with Cheney's comment that Pelosi's trip to Syria was bad behavior. Do you think Pelosi has a right to speak to Syria?

Chomsky: Of course she does. If you don't believe in an elective dictatorship, everyone has that right, even the local congressman, even you and I. If it's a free democratic country you don't have to follow the orders of the dear leader. The whole discussion is ridiculous. And the fact that she has to defend herself is ridiculous.

The question is: are we living in an elective dictatorship? Or is it supposed to be a free country in which people pursue their interests?

Shank: How much will that [unitary executive] foundation shift if/when the Democrats take over the executive branch in 2008? Will it be more open?

Chomsky: It'll be more open, but I don't think there will be fundamental changes. The basic fundamentals are shared by the parties. But the Bush administration happens to be on the very extreme end of a pretty narrow spectrum. So if liberal Republicans were in [the White House] it would also change. The mainstream Democrats by now are kind of liberal Republicans. It's very hard to make a distinction.

So sure, it would soften the edges. The parties have different constituencies, and you give something to your constituency. The Democratic constituency is more of the general population, the working people and so on. So you give something to them and maybe less to the super rich. But the framework of thinking is almost the same.

Shank: Is the foundation on which the current unitary executive stands beginning to erode? Given the corruption charges facing Paul Wolfowitz at the World Bank, the scandal surrounding Alberto Gonzales, the Justice Department's firing of attorneys, and the indictment of Scooter Libby?

Chomsky: The struggle over the unitary executive and the elective dictatorship... that's beginning to erode from internal corruption primarily, not because what it did was wrong. Yes, of course, some of things were wrong, like firing a prosecutor, but that is so minor compared to the array of crimes committed by the administration. It gains its significance because of the conflict over legislative and executive powers.

Take Wolfowitz. The charges against Wolfowitz are maybe correct but pretty minor compared to his record. Forget his involvement in the Iraq war, let's put that aside, though it was surely significant. He was the ambassador to Indonesia under Reagan. He was one of the strongest supporters of Suharto, who was one of the worst monsters in the modern period, comparable to Saddam Hussein. When Wolfowitz was appointed to the World Bank, Indonesian human rights and democracy activists were bitterly critical because he never lifted his finger to help them when he was ambassador. In fact, he harmed them and they explained how he did it.

Here's a man who strongly opposes democracy, who strongly opposes human rights. That's not the myth. The myth is his great ideals. But in his actions, he supported a hideous dictator and in fact he supported extreme corruption. Transparency International ranked Suharto's Indonesia as the world champion in corruption. This is the man he was defending while at the same time saying that he was going to the World Bank to do something about corruption.

His record with regard to democracies is also outlandish. You may recall in Turkey, to everyone's surprise, the government went along with the will of 95% of the population and did not let U.S. troops use the country as a base for the war against Iraq. There was bitter condemnation of Turkey in the United States, from Colin Powell and others. But the most extreme was Wolfowitz. He berated the Turkish military for permitting this to happen. He said, "look, you have power, you can force the civilian government to do what we want them to do. The idea that they should listen to 95% of the population is outrageous." Then he demanded that Turkey apologize to the United States and in fact say that it understands its job to help the United States. A couple of months later he was being hailed as the "idealist-in-chief" leading the crusade for democracy.

Shank: So why is he going down now for a salary?

Chomsky: He's very much disliked in the Bank. Apparently he's very authoritarian. So they picked an issue on which to expel him: a kind of corruption issue and a governance issue. And that's okay. It's good to see corrupt people go down. But those are not the issues. It's just like in Iraq or Afghanistan.

Shank: Analysts in the media are questioning whether or not the Bank can redeem itself post-Wolfowitz. Can it redeem itself or is it done?

Chomsky: Redeem itself from what? Through the 1970s, the World Bank and the International Monetary Fund were pressuring countries to take loans, borrow, and create huge debt. They argued that it was the right thing to do. In the early 1980s, with the Volcker regime in Washington, the whole system collapsed and the countries that had taken the debts were hung out to dry. Then the World Bank and the IMF pressured them strongly to introduce structural

adjustment programs "which means that the poor have to pay off the debts incurred by the rich. And of course there was economic disaster all over the world.

That's the World Bank. They've done some good things. I've seen some World Bank projects that I think are great. For example, in Colombia the World Bank has supported very interesting projects run partly by the church, partly by human rights organizations. They are trying to create zones of peace, which means communities that separate themselves from the various warring factions and ask the military, paramilitaries, and guerillas to leave them alone. The people that are doing that are very brave, honorable people. It's very constructive work, and it's supported by the World Bank.

So again, I think that's good. But if you look at the overall range of the Bank's policies, it hasn't been benign by any means. The Bank would have a long way to go to "redeem itself."

Shank: So it's the same problem facing Iraq, the whole conversation is wrong?

Chomsky: The conversation is too narrow. Within the narrow framework, yes, it's a good thing to get rid of corruption and press for good governance. But there's a much wider framework...

Shank: ...that's not being talked about.

Chomsky: Right. Take the IMF. The IMF is not the World Bank, but it's closely related. The IMF's former U.S. executive director Karin Lissakers accurately described the Fund as the credit community's enforcer. The IMF is very anti-capitalist. For example, suppose I lend you money. And I know that you're a risky borrower, so I insist on a high-interest rate. Now, suppose that you can't pay me back. In a capitalist system, it's my problem. I made a risky loan. I got a lot of profit from the interest. You defaulted. It's my problem.

That's now what the IMF is about. What the IMF is saying, to put it in personal terms, is that your friends and neighbors have to pay off the loan. They didn't borrow the money, but they have to pay it back. And my friends and neighbors have to pay me to make sure that I don't lose any money. That's essentially what the IMF is.

If Argentina takes out an IMF loan with huge interest rates because it's risky and then they default, the IMF comes along and says the workers and peasants and other people in Argentina have to pay for that. They may not have borrowed it, it may have been borrowed by a military dictatorship, but they have to pay it back. That's what structural adjustment is. And the IMF will ensure that western taxpayers pay off the bank. It's radically anti-capitalist, whether you like that or not. The whole system has no legitimacy. In fact the whole debt system in the world, which is crushing much of the world, most of it is fake debt.

If Suharto, one of the biggest debtors in the world, borrows money and ends up the richest man in Indonesia or maybe the world, why is it the responsibility of the farmers in Indonesia to pay it off? They didn't borrow it; they didn't get anything from it. They were repressed, but they have to pay it off. And the IMF makes sure that the lenders don't lose money on their risky loan after making a lot of profit from it. Why should the system even exist?

Shank: The micro version of that in the United States with sub-prime lending is coming back to bite us pretty quickly.

Chomsky: Exactly.

Shank: Are we going to have that kind of awareness on the global scale? Because I think people are realizing that sub-prime lending isn't working.

Chomsky: It's bad because vulnerable people were exploited. But at least you can say that the sub-prime borrowers did borrow the money. In the South the people didn't borrow the money. It was their leadership that did. What do the people of Indonesia have to do with Suharto borrowing money from the Bank?

Take Duvalier in Haiti. He fled with U.S. help, with most of the treasury. Why do the people of Haiti have to pay off the debt? Most debt is just illegitimate. In fact, the United States itself has instituted an international regime that regards these debts as totally illegitimate. They're called odious debts. It's the notion that the United States introduced when we "liberated" Cuba. The United States didn't want to pay off the debts to Spain, so they were dismissed accurately as illegitimate, later called odious debts. The people of Cuba had no responsibility for them.

A huge amount of the debt in the global south is odious debt. Why should anybody pay it?

Post-scriptum :

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