

Expanding Empire Chapter 8: The flag follows the dollar

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If \$4 billion of trustified, monopoly capital pressed its combined owners to expand in the 1900s and \$26 billion demanded still more expansion a few years before World War I, then surely in 1968 the \$432 billion assets of the top 650 industrial, utility, transport and merchandising firms is pushing far more inexorably against the confinement of national borders, demanding still further investment abroad and on a still bigger scale.

Neither doves nor half-doves in the U.S. Senate are opposed to the movement of U.S. capital abroad, except insofar as it affects the gold outflow. They are against “imperialism” and the “military-industrial complex” and against the U.S. being “drunk with power.” But they are not against the relentless flow of capital, the real enslaver of foreign countries, the whip that lashes them into rebellions and wars of liberation. They are against occupying the world with U.S. soldiers, but they concur in placing “suction pumps” of U.S. foreign investment everywhere they can possibly be placed.

But it is just this foreign investment that brings about the movement of U.S troops abroad. The flag follows the dollar is an absolute and unbreakable law under the present system. And since we are now in such a sophisticated political extension of the past, a new law has asserted itself, as in Vietnam: The dollar follows the flag. The doves are silent about both laws. But the generals, like the dollar, obey them.

Of course it is possible that some bourgeois opponents of the war are unconscious of the full importance of the stake of big business in expanding its empire and

preventing revolution abroad.

Henry Steele Commager testified before the Senate Foreign Relations Committee on Feb. 20, 1967, and opposed the war in Vietnam from the point of view that the U.S. is not an imperialist country.

“We waged a war with Spain that nobody much wanted and in a fit of absentmindedness acquired Cuba and Puerto Rico, the Philippines and Hawaii. We fought a three-year war with the Filipinos which everybody has pretty well forgotten [except the Filipinos — VC]. But at the same time, we repudiated imperialism.”

It was possible for this distinguished historian to talk such nonsense — whether he was honest about it or not — mainly because the U.S. did not make any substantial and formal territorial acquisitions after 1900. But the actual ownership of various parts of the world, and the actual profit-making from them without the overhead expense of political rule over them, is what makes the U.S. the wealthiest of all imperialisms — more effective in its exploitation than the Roman imperialists, the Greeks, Persians, Spanish, French or British ever were. The admitted 1966 profit-take of \$8 billion from abroad would have been as incomprehensible to Philip II and Victoria as to Caesar or Alexander.

But the great masses of the United States don't have the dimmest perception of all this. The ruling billionaires have effectively hidden it from them. Moreover, U.S. colonialism in the decades since the taking of the Philippines was also concealed under the allied British naval “umbrella” and the French colonial army. (The depredations of the U.S. Marines in Nicaragua, Cuba, Dominican Republic, and the Army's invasion of Mexico were each, in their time, quickly over, or quickly buried in the press, or both.)

Today, however, British and French imperialism can no longer discipline the awakening billions of the world's people, and the tremendous U.S. ownership abroad

can be validated only by the U.S. becoming the “world’s policeman,” as the imperialists now put it so appropriately.

The process has already begun and cannot really be reversed as long as big business is in command. In addition to the 1.5 million armed troops abroad — in “peace-time” — there are about 2 million more business people, teachers, dependents, clerks, construction workers, CIA agents, Peace Corps volunteers — the largest permanent army of occupation in all history. Just as a merchant fleet needs a navy, so the new “settlers” need an overseas armed force to enforce their right to plunder the land.

The war in Vietnam has only thrown a super-spotlight on one corner of this immense swarm of would-be conquerors. But it also recapitulates in its own way the 65 years and more of U.S. colonial plundering. And it is, by its own epic struggle, bringing to the attention of the youths of the U.S. the foundations of robbery and super-exploitation upon which their society is based.

World War II: U.S. expanded, Hitler died

The expand-or-die aims of U.S. big business were relatively concealed from the American people during both world wars. The expansion of the internal market in the 1920s, 1940s and 1950s helped to make foreign trade and investment seem unimportant. And the plunder of the external world being almost unaccompanied by territorial acquisition, it went unnoticed by the great masses of this country. Moreover, both world wars were “started” by the “other side.” That is, the pressure of the expand-or-die logic was working harder on German big business — and Japanese and Italian — in World War II, than on the Allies

Furthermore, since Hitler was even more brutal, vicious and reactionary than the Kaiser, it was difficult to recognize in him merely a different type of representative of big business than U.S. presidents. It is only today in retrospect that many progressives can clearly see him as the prototype of what some American

representatives of the corporations have already become today. World War II seemed, even more than World War I, to be fought “to make the world safe for democracy.”

The results of World War II, however, are in themselves the best lecture on what that war was all about as far as the rulers of the United States were concerned. Contrary to the wish-thoughts of many sincere anti-fascists, these rulers fought an imperialist war, rather than an anti-fascist war.

U.S. big business, the biggest owner of worldwide property in all history as a result of the war, double-crossed its Soviet and Chinese allies, who had borne the brunt of the fighting and done the bulk of the dying. It cheated and exploited its own capitalist allies — Britain, France, Belgium, Holland, etc. — using Marshall Plan “aid” to honeycomb these countries with U.S. investments.

It hobnobbed with its wealthiest Nazi “enemies,” building up their industries, collaborating with the very banks that had backed and virtually created Hitler. It freed the Japanese militarists it had at first purged and imprisoned. It formed partnerships with the Zaibatsu monopolists who had bombed Pearl Harbor. And it raked in billions upon billions in unprecedented profits. This was what World War II meant for U.S. big business.

And it was all more or less predictable, on the basis of the character of big business and of the state that was its political instrument.

World War II was confusing, however, because it appeared to be a war against Nazism.

For the Soviet Union, it was such a war. But there was no big business in the Soviet Union. And independently of the virtues and vices of Stalin, as well as the glorious heroism of Stalingrad, the war was a defense of a new and progressive social system

as against big business gone mad.

For the United States, it was a different war. First, it was a war to prevent Hitler from expanding at the expense of the United States. And second, it was a war for the United States to expand at the expense of its soon-to-be exhausted allies — Britain, France, etc. The U.S. has now penetrated into the former colonies of those countries with many billion dollars worth of investments, and in fact, has challenged the hegemony of much of big business in the “mother countries” as well.

The most powerful explanation for the cynicism and disillusionment of our age may be unknown to the masses, but the general situation has been all too clear: the sacrifice of 40 million lives for the “four freedoms,” for “peace” and “democracy” and the like, only to see the “freedom” of a world laboring under a \$112 billion mortgage to the U.S. banks, the “peace” created by the most deadly war machine in history and the “democracy” guaranteed by military and fascist puppets of the U.S.

But cynicism and disillusion, of course, are as much the result of ignorance and misunderstanding as of failure or despair. And there will be no such result again, no matter what happens, if the new generation is armed with the understanding of the true nature of its ruling class.

But one of the most important things to remember about World War II is what is most often forgotten: that for the U.S., it began in the Far East in the same general region that is so much in dispute in the Vietnam War.

Why did it begin there? Because the United States had a great deal to defend in the Far East. And the U.S. corporations expected to do a great deal of expanding in the Far East. Even more than they have yet done.

For various historical reasons, the old drive for expansion was manifested as a drive to the Far East via the West, in emulation of Columbus. U.S. business had

established other points of support besides the Philippines during the 19th century — notably Samoa, Guam, Hawaii, deals with Japan — off-again, on-again, ever since U.S. gunboats “opened” Japan in 1854 — and of course the penetration of China itself.

A great section of U.S. business was convinced that there was plenty of profit to be made by just holding onto South America, exploiting the Far East and “doing business with Hitler” — or possibly both sides — and staying out of the war. This was the isolationist “wing.”

But when Japan took Southeast Asia away from France and Britain, and Indonesia away from Holland, this wing began to be convinced that “isolationism” would cost them money.

The big, big question, however, was how to get the United States masses themselves into the war. For in spite of the people’s hatred of Hitler and Tojo, they were not yet inclined to fight another war on “foreign soil.”

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