

ROTHBARD-ROCKWELL REPORT

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TERROR STATE

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Nearly ten years after the Cold War ends, what happens to the budget of the CIA? Thanks to the Republicans, the agency just received the largest spending increase from Congress in 15 years. Its official budget is now at \$29 billion, which is as high as it was at the height of the Cold War.

"About a year ago," an unidentified source told the *New York Times*, "the door into the agency was almost shut" because of budget cuts. Now it has new life.

No official conservatives appear upset by this. In fact, the *Weekly Standard* praised the atrocious budget agreement (\$1.7 trillion) in which this spook subsidy was embedded. The Heritage Foundation's Dan Mitchell, who has traditionally been tough on the Republicans by Washington's standards, actually argued the budget was a step in the right direction.

Neither mentioned this CIA budget increase, which is arguably the least justifiable aspect of the new budget. But it appears that official conservatives will endorse anything that bolsters the warfare state. And two weeks after the appalling budget agreement passed, millions of conservatives marched

to the polling stations to pull the levers for the usual crop of lying Republicans.

Conservatism likes to wrap itself in a vast intellectual tradition: Burke, Weaver, Voegelin, and on and on, and this is what it comes down to: loot more tax dollars to feed the largest military empire ever constructed, with troops in 100 countries and spooks in many more.

The latest excuse is the need to combat "terrorism." Would the word apply when, say, a head of state decides on his own authority to bomb a productive capitalist medicine factory halfway around the world without warning, killing civilians all around? Of course not.

The word doesn't apply when the victim is a single territory. For example, Russians were considered terrorists when they bombed Afghanistan. When the U.S. does the same, it is "retaliation" for supposed support of terrorism.

It doesn't apply solely to people of a certain nationality. For example, Iraq is considered a terror state for suppressing the just nationalist aspirations of the Kurds. But when the Kurds in Turkey seek an independent state and thus defy a U.S. favored government, they are considered terrorists.

No, the definition of terrorism is increasingly obvious. It means

behavior that the U.S. military power elite does not like on political grounds. The CIA, as the portion of the military state that deals with espionage, is now in charge with seeking out enemies wherever it can find them, and blowing them up during critical stages in American political life.

In an echo of Pearl Harbor, recent revelations suggest that the U.S. had prior knowledge that the embassies in Kenya and Tanzania were being targeted by opponents of U.S. Middle East policy, but did nothing about it.

Is this not an abuse of power that conservatives should denounce? Is rewarding the military state with ever bigger budgets a proper response to this outrageous violation of all standards of decency?

We have here a movement that is so wedded to the military state that it will drag down liberty. What a disgrace that conservatism has come to mean a tacit endorsement of permanent empire. **[RRR]**

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THE GOOD WAR

JOSEPH R. STROMBERG

The two world wars were essentially one war with an intermission. The first half, 1914-18, cost 19 million lives, destroyed the comity of Liberal Christian European civilization, and supplied reasons for another colossal bloodletting. The world of 1919 contained four great forces. The first was the status quo (imperial) powers—Britain, France, the Netherlands, who wanted no change. The second was the revisionist powers—Germany, Japan, Soviet Russia, and Italy—who wanted to overturn the 1919 settlement. The third was the anticolonialist movements all over the globe. Emboldened by the Europeans' suicidal conflict, these movements worked to throw out the foreign devils. The fourth force was the United States, whose ruling elite aspired to global mercantilist hegemony. Another war, or wars, involving these forces would have unpredictable consequences, but the Americans were likely to support the status-quo powers while pursuing global dominance.

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Senate rejection of the Treaty of Versailles reflected American disillusionment with Woodrow Wilson's oversold war. Three Republican presidents seconded this rejection. In this climate, writers took another look at the "Great War," questioned wartime mythology, and argued that America could have remained neutral. Such writings created an atmosphere favorable to nonintervention, lower military spending, and legislation to keep the U.S. neutral *in fact*. The famous Nye Committee suggested that arms manufacturers had involved America in war. "Isolationist" feeling pervaded the country.

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U.S. policy-makers, however, continued to think in terms of Open Door empire and saw foreign markets as crucial to American prosperity. Interventions took place in Latin America and the U.S. military roamed as wide as China, but Republican presidents pursued markets with moderation. President Hoover chose peace with Japan, and risked losing the "China Market," the eternal mirage of Open Door enthusiasts.

Meanwhile, the other global forces set the stage for new wars. Former Senator R.F. Pettigrew warned: "The Treaty of Versailles is merely an armistice." In addition, the World War had done incalculable harm to European morality and political life. It made possible the Bolsheviks' seizure of power in Russia.

In a murderous campaign against "civil society" Stalin's cadres killed millions "of their own people." Elsewhere, "integral nationalists" combined neopagan nationalism with leftism and invented "national socialism." The communist threat helped bring Italian Fascists and German National Socialists to power, where they posed—with some initial credibility—as bulwarks against Bolshevism. Both movements challenged the status quo. These regimes—and Russia—were "totalitarian" (Italy fell short), revisionist, and potentially difficult neighbors. Their demands threatened the status quo.

In 1929, postwar inflationism (against which Ludwig von Mises had warned since 1912) unleashed worldwide depression. Crackpots everywhere proclaimed the end of capitalism and the need for "planning" modeled on wartime commandism. Everywhere, leaders defied "mere" economics and sought to restore prosperity through statism. Two unfortunate consequences were the abandonment of the (semi)gold standard by the status-quo powers and their decision to surround their overseas empires with tariffs. This strengthened those Japanese leaders who wanted to use force to secure markets for Japan's growing industries. Rather than be the Americans' junior partner, Japan began acquiring markets by force, and promoted a Manchurian state detached from China (then undergoing revolution). The Japanese learned from Western example.

In the United States, the Great Depression brought corporatists and socialists to Washington to serve under FDR. When mass unemployment persisted despite New Deal quackery, policy-makers turned to foreign markets. By the late 1930s, German, Italian, and Japanese competition convinced the