

Capitalism at its Core: Militarism as a Force of U.S. Hegemony

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Despite proponents of globalization arguing that economic integration is not strictly beneficial for the Global North but also promotes peace and economic development in the Global South, evidence pertaining to global inequality and conflict indicates otherwise. Root causes of war such as financial instability, economic inequality, competition for resources, and environmental degradation are exacerbated by globalization.ⁱ Development is an essential aspect of global capitalism, as capitalism requires expansion to provide resources for the modes of production. Resource-rich countries of the Global South have been vulnerable to pillaging from states in the Global North at the cost of human rights, security, and environmental integrity, and they continue to experience these injustices today. Global North states consistently use military presence to support their capital accumulation through the exploitation and suppression of agrarian communities in the Global South—Honduras being a prime example of this phenomenon. The presence of militarism is intrinsically linked to capitalism; therefore, de-militarization is essential to the anti-capitalist struggle.

First, this paper will trace the relationship between capitalism and militarism, both historically and contemporarily, in an effort to illustrate that the two are inextricably linked. This will be followed by a discussion of the introduction of neoliberal policies in the Global South and how they function in parallel with an increased military presence. Lastly, these arguments will be contextualized using a case study of U.S.-Honduras relations, a country that has experienced significant militarization and inequality in the name of capitalism. Although the main purpose of this paper is to trace the relationship between capitalism and militarism and highlight the impacts of this relationship, its particular focus on the experiences of those in the Global South is critical to understanding the positionality of Global North scholars and students when discussing capitalism.

The relationship between global capitalism and militarism is one of interdependence. Globalization fuels the

means to wage war through military spending on the proliferation of weapons and the arms trade, as well as the general promotion of a military economy, which results in the redirecting of funding away from social services.

ⁱⁱ Simultaneously, the military-industrial complex and the threat of military force is used to protect corporate interests, particularly as Global North capitalism extends itself into the “periphery”—that is, the Global South.ⁱⁱⁱ Man, Paik and Pappademos note the intricate relationships that underpin militarism and capitalism, stating that “militarism avails its considerable resources to suppress anticapitalist movements globally, and...the military-industrial complex stabilizes capitalist activity, absorbing its excesses by producing armaments, surveillance tactics, and ever-diversifying uses of security technology.”^{iv} Furthermore, the authors argue that as capitalist activity continues to seek new markets and forms of production, policies of human dispossession, dislocation, and destruction are inevitably normalized.^v

Marxists and Marxist economists see military production as a key explanation for capitalism’s staying power, which Marx himself was unable to predict. Gottheil cites Reich and Finkelhor in his paper, stating that “the entire capitalist economy has a stake in militarism. For military spending is responsible for much of the economic growth the economy has experienced in the postwar period. Without militarism, the whole economy would return to a state of collapse from which it was rescued by the Second World War.”^{vi} Man, et al. echo this, claiming that militarism and capitalism have been intertwined with each other since the triangular trade half a millennia ago.^{vii}

Moreover, this mutual relationship between capitalism and militarism is protected by international organizations, and therefore shielded from those who want to hold the Global North accountable due to the inequitable distribution of power within global governing bodies. The World Trade Organization (WTO) is one such example. It promotes the interweaving of militarism and capitalism through attacking social and environmental policies

that reduce corporate profits and protecting policies that support military activity. For example, Article XXI of the General Agreement on Tariffs and trade (GATT) allows government "free reign for actions taken in the interest of national security."^{xviii} This rhetoric of "national security" denotes the relationship between capitalism and militarism as it not only excuses the use of military force in the name of capital expansion and profit margins, but it also validates and condones this type of behavior. Moreover, notions of national security are used to justify the expansion beyond borders to police and oppress other nations, particularly those within the Global South.

At the end of the Cold War, U.S. policy in Latin America was geared towards preventing conflict and promoting political and economic stability through "shaping the strategic environment."^{xix} The true motivations of this policy were to introduce neoliberal restructuring of economic policy in order to spread global capitalism and maintain U.S. hegemony. The observed increase in militarization in Latin America and the Global South is directly related to this economic shift. Williams and Disney (2014) argue that the U.S. War on Terror and Drugs was used to justify military presence in the region, while its true aim was to repress resistance to neoliberalism expressed by local populations. The authors not only reinforce the argument that neoliberalism has created more inequality in Latin America, but they also hold that neoliberalism requires increased military expenditure and presence to subvert resistance. Furthermore, U.S. military training of armed forces in Latin America worked to maintain U.S. hegemony while subverting democracy in the region.^x Kirk and Okazawa-Rey encapsulate the realities of introducing capitalist policies in Latin America best by stating that

The current integration of the world economy into a neocolonial system of capitalist production, consumption, and reproduction requires access to and control of resources including labor so that transnational corporations can maximize profits. Corporations need the assurance of political stability and protection of their investments. As part of the nation-state apparatus, the military is on hand whenever necessary to intimidate and repress popular resistance to exploitative working conditions, to structural adjustment programs, or the privatization of resources in aid of profit accumulation.^{xi}

Since the introduction of neoliberalism and subsequent militarism, we have seen the impacts of military presence in Latin America, whether that be state military, paramilitary violence, or violence from U.S. military stationed in the region. Development in rural areas contributes to the global capitalist market at the expense of local socio-eco-

logical conditions, and the degradation of local communities results in the deepening of inequalities between the South and North.^{xii} What is evident is that the introduction of neoliberalism and development policies came hand in hand with an increase in military violence, which continues to impact the political landscape today. This all occurs while the pockets of those in the Global North continue to be lined with the profits of capital accumulation.

Honduras serves as one example of a state in Latin America that is subject to U.S. expectations. These expectations center on free rein for businesses and multi-national corporations, large foreign investment, low-cost export goods, low wages, foreigners' access to land holdings and sub-soil resources, and a weakened popular resistance. Today, the U.S. Department of State website describes its relationship with Honduras as a partnership "to foster security, stability, and prosperity for the Americas." It highlights the various struggles that Honduras faces as a state, including weak institutions, endemic corruption, pervasive poverty, and inequitable access to economic opportunities and social services, to name only a few.^{xiii} What the U.S. fails to report is the hand they play in many of the problems that Honduras faces. The United States is no stranger to using military force as a means to secure and expand their capital, and forces of expansion and destruction were systematically used under the guise of spreading the benefits of capitalism and democracy during the War on Terror.^{xiv}

However, the United States military presence in Honduras predates the War on Terror. The Banana Wars in Central America first introduced U.S. intervention, demand, and interest in the region. By the late 19th century, Honduras had devolved into the quintessential "banana republic," whereby its economy depended on the foreign export of natural resources. American corporations like the United Fruit Company dominated its economic and political life and exercised regular exploitation and extraction of Honduras's resources. The United States intervened in numerous military coups to protect its commercial interests and maintain its economic and political hegemony in the region. For example, contra guerrillas backed by President Ronald Reagan used Honduras as a base to attack Nicaragua's Sandinista government in the 1980s.^{xv} Of the multinational corporations that operated in Latin America during this time, few generated as much controversy as those involved in the banana trade.

Many hailed these companies as pillars of modernity and prosperity, pointing out that they created tens of thousands of jobs, constructed transportation infrastructure, and introduced scientific approaches to tropical agriculture and medicine. However, what underlined the so-called benefits of U.S. involvement in the banana trade

were principles of exploitation and corporate greed. Critics cited the companies' land and transportation monopolies, repression of labour movements, and tax subsidies as evidence that the companies' profits emerged from the exploitation of Latin American people.^{xvi} Solouri argues that between the 1960s and 1970s, banana companies were often at the center of development debates. On one side, modernization theorists saw the infusion of capital and technology as necessary to help Latin Americans shed their "traditional" livelihoods and ways of thinking; on the other, critics of modernization and dependent development claimed that foreign capital was "underdeveloping" Latin America.^{xvii}

The U.S. has had a lasting presence in modern Honduras since then, primarily at the Soto Cano airbase. The U.S. has used the Soto Cano base (also known as the Palmerola base) for several decades, and it has had a lasting presence in Honduras, witnessing numerous human rights abuses which coincided with the proliferation of neoliberal economic policy. During the 1980s, Palmerola was essential to the U.S. and its imperial conquests throughout South America.^{xviii} Honduras as a state was subjected to U.S. influence and was used to carry out President Reagan's dirty work in Central America during his war on communism. Shepard argues that "Paradoxically, the lowest priority for current U.S. policy toward Honduras is Honduras. The Reagan administration's policies there focus not on goals for Honduras itself but on interests and objectives the United States has elsewhere—particularly in Nicaragua and El Salvador."^{xix} Today, the Soto Cano air base continues to be the pillar of the U.S.'s Central American military presence.

In the 2002 *National Security Strategy of the United States*, global development joined defense and diplomacy as the third pillar of the War on Terror, further weaving the relationship between military presence and capitalism. Mawdawsley argues that the newly invigorated security-development paradigm was used to legitimize more spending on "development" programmes which were primarily intended to serve the interests of U.S. consumers, manufacturers, and investors. At best, poverty reduction and economic growth were secondary objectives, and it is more likely that these development programs were the newest installments of America's pursuit of economic hegemony through the extension and ever-deepening penetration of neoliberal capitalism in the Global South.^{xx} At present, there are roughly 200 U.S. companies operating in Honduras, constituting \$7.8 billion in Honduras's exports (53%). This dependent relationship gives the U.S. stronger influence over Honduras as a state, particularly

when it comes to economics.^{xxi}

Forde illuminates the reality that militarization serves many purposes within the state right now, one of them being to control local populations who may rebel against their lands being granted to foreign companies.^{xxii} There is a pattern of military bases emerging in Honduran territories where there is new exploration by international companies looking for resources, and the drug war in Honduras coincided with areas where there were acute conflicts over natural resources. Annie Bird, co-director of Rights Action (a group that aims to support land, environment and human rights defence struggles in Honduras and Guatemala, as well as aiding in the resistance of harms caused by unjust global economic policies) is quoted saying "whether that is land, petroleum, rivers for hydroelectric dams, or mines—that's what the conflict is in Honduras today. More than about drug trafficking, it's about natural resources."^{xxiii} The military serves to suppress any public resistance or outcry over lands traditionally used for agrarian economies, under the guise of maintaining "security" as neoliberal development projects unfold. As primary export economies display symptoms of profound crisis, and as the social struggles that this provokes become more violent, military regimes become an instrument for safeguarding established interests.^{xxiv}

A more recent example of America's "established interests" in Honduras can be found in the Honduran Zones for Employment and Economic Development (ZEDEs). These zones operate essentially as a state within a state, functioning as autonomous bodies, free from government influence. Though their name sounds promising, it conceals the reality that this initiative allows foreign investors to control a large portion of Honduran land, as many of them hire foreign administrators from the U.S. This project threatens the human rights and livelihood of many Hondurans, particularly those who live in agrarian communities.^{xxv} For example, Cerro Guanacaure is a region in southern Honduras which provides water to 8700 inhabitants of the protected park which spans 2000 hectares, as well as 30% of water for the capital city of Choluteca. Therefore, the quality of the watershed relies on the guarantee of environmental health and function,^{xxvi} which becomes threatened under development policies of global capitalism. Projects like the ZEDEs threaten the livelihoods of those living in communities like Cerro Guanacaure and undermines the agency of local communities to dictate the terms of their own development while protecting lands that are vital to their existence.

Of course, the wedding of capitalism and militarism introduces a plethora of other forms of inequality. Environmental critiques highlight the expropriation of land and the dispossession of local communities as an install-

ment of capital accumulation that is ongoing with capitalism's need for expansion. A feminist critique exposes the gendered impacts of militarism as a patriarchal structure that leads to relations of oppression and exploitation of the female body and its labour. All of this is to say that demilitarization is central to the anticapitalist struggle, and that one structure cannot be dismantled amidst the persistence of the other. Man et al. (2019) writes that "deeper conjunctions of militarism and capitalism make the line between them increasingly indistinct and call for radical interventions to expose the military-industrial complex's inner workings and impacts on the quality of human life and on the viability of societies across the globe."^{xxvii} The dismantling of capitalism is a necessary component to peace and security, not only for Honduras and the Global South, but for all of the international community.

This paper has aimed at constructing the symbiotic relationship between capitalism and militarism and has demonstrated this relationship through looking at militarism in Honduras as it relates to capital expansion.

The relationship between militarism and capitalism is reciprocal in that capitalism provides the means for the military-corporate complex to thrive, while the military serves to protect capitalist interests. In the case of the United States, economic expansion into countries of the Global South can be cited as a critical component to their capitalist imperial agenda, often at the expense of those living in the region. Not only are communities stripped of their economic and political agency, but they experience the violence of development through displacement and the degradation of their environment, all without ever seeing any payoffs that the capitalist model promises. The case of Honduras helps to elucidate these conditions described in the first portion of the paper. The political climate today is indicative of increasing polarization and unrest that does not acknowledge borders, or North-South divisions. The impacts of capitalism and militarization are evident everywhere, and we must realize the necessity in addressing these harms if we are serious about global peace and equality.

Notes

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25. Whitney, "U. S. intervention and capitalism".
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27. Man et al., "Violent Entanglements: Militarism and Capitalism," 1.