

The Saudi Palace Coup, the Oil Market, China and the US

By [Dr. Ali Kadri](#)

Global Research, December 27, 2017

Region: [Middle East & North Africa](#)

Theme: [Global Economy](#), [History](#),
[Military and WMD](#), [Oil and Energy](#)

Trouble has been brewing in Saudi Arabia, the jewel of the US empire, under the very eyes of the imperialists. Since circa 1980, the socially stabilising economic redistribution mechanisms, the objective pillars holding society together, were neoliberally eroded. As for the subjective grounds, or the political US-backing that the Saudi monarchy enjoys, it so happens that until about 2011, the timing of the Arab Spring, the Saudi-comprador class' surreal social and political practice received low-key criticism. Saudi Arabia is the only place where the outstanding atrocities of the royal family, not just the beheadings, but the infusion and funding of pro-imperialist Islamist ideology across the world, became a sort of folk tradition pertaining only to "Saudi" culture. In its defence of its subject-state, American liberalism dropped the existentialist golden rule of ethics. The rule by which humanity's very existence, its state of physical being as such, imposes a shared set of values and morals.

For the orthodoxy, working Saudis as human beings were reduced to just humans without their state of being. They existed as ideas, but not as real people. Absurdly, Arabs inhabiting the Arabian Peninsula, enduring grotesque physical and social torture under US-Marines supported monarchs, did not share the universal feeling of suffering. Instead, a peculiar form of imperialist-constructed Islam made them into a special sort of noble savage. For the reigning US empire, what the custodians of American oil under Arab sands do is their own tradition and their own business, not humanity's. The reconstruction of pro-imperialist Wahabi identity serving as an ideological tool, otherwise instigating a renaissance of the alleged despotism inherent in Islamic culture, became the fuel for the war on terror.

The ideological windfall to capital as a result of Saudi obscurantism has been significant. Just as the socialist culture of the cold war created a cross country competition for the betterment of social conditions, the Saudi stance of "obligations before rights" drags down world culture into a race to the bottom. History commanded by anti-humanist ideologies is the quickest doorway to the commodification of human beings. It propels capital, the social relationship and its corresponding social class, into its element: fascism.

As of 2011 however, the picture somewhat changed. Critiquing the Saudis for their political practice or Islamic *madrassa* funding became a pastime for the mainstream media. Suddenly the right of Saudi women to drive faced off against an American political correctness that intelligently masks over the unjust imprisonment of Leonard Peltier and the empire's structural racism.[2] Then came the "Justice Against Sponsors of Terrorism Act" (JASTA) with lawsuits threatening to swallow some of the oil revenues.[3] With the palace coup of the tender feet prince, Mohammad bin Salman (MBS), however, the old mainstream love of Saudi Arabia has to some extent been rekindled. An article in the NY Times of November 23, 2017, heaps kudos upon the reforms of the spiteful prince; the author

exclaims that he thought he would not live to see reform and progress in Saudi Arabia. Amusingly, a Qatari-based academic tweets with 70 years of NY Times clippings describing Saudi royals in the language of reform.[4]

In a similar manner to collapsing neighbouring states, the objective and subjective elements that corrode the underbelly of Saudi national institutions have intensified. Although the natural end of the ruling Arab comprador class is to weaken and then to set ablaze its own social formation at the behest of imperialism (as argued in Kadri [2016]), the Zionist-imperialist historical momentum can still opt for a bigger piece of the pie: war with Iran. Such war aligns Israel, the US and reactionary Arabs against Iran. In a region where violence and realpolitik mark the practice of the US-European-Israeli coalition, “war for war’s sake,” the chief instrument of global accumulation may reassert itself once again. The trajectory of war and its momentum, either within regional states or across states, are unrelenting. For now, the palace coup brokered the crisis and delivered an even more strategic US-asset and an “impulsive tyrant,” MBS, into power.[5] In what follows, I will consider some aspects of the overbearing impact of instability in the kingdom of Saudi Arabia upon the oil dependent world, specifically China. I argue that although China exhibits an energy deficit, it has become far too big and powerful to be stopped.

A snapshot of the economy

In the late 1990s, Saudi Arabia needed a barrel of oil to be priced at slightly above 20 US\$ to break even or to not incur a budget deficit (SAMA, 2017). Between 2014 and 2016, the barrel had to sell at a range between 80 to 100 US\$ for Saudi Arabia to balance its budget (SAMA, 2017).[6] The Saudi kingdom had become increasingly dependent on oil for its day-to-day spending, as opposed to other sources of income. Addiction to oil exports unequivocally signals the failure of its diversification policies. Just as it borrowed to redress its deficit between 1980 and 2002 as oil prices plummeted, it has also resorted to short term borrowing at high interest rate to offset the current deficit (in 2014 prices fell to around 50 US\$ per barrel). In addition to outstanding financing of many anti-Arabist and Islamist movements around the world, in 2011, it funded the mercenary-led aggression visited upon Syria and, later in 2015, it besieged Yemen and bombarded it – the war on Yemen is ongoing until the time of writing in December 2017. After Trump’s visit in May 2017, it had also committed to purchasing 350 billion US\$ worth of US weapons over the next 10 years, with about 110 billion US\$ upfront.[7] Saudi Arabia may not yet be in a severe financial crisis, but with its high dependence on oil while oil prices remain low, the ongoing mild crisis may become one of state and economy together.

Just like rest of the world under neoliberalism (a stage beginning circa 1980), the kingdom gradually parted with its state sponsored policies of the 1970s. It handed over the reins of investment and other resources to the private sector. The princes and their friends who owned the private sector liquidated much of their wealth and sent it abroad. In its West Asia report, the United Nations (2007) calculated the rate of capital flight over the neoliberal period to have been around a fifth of national product (GDP). Between 1980 and 2000, the Saudi rate of investment and, subsequently, economic growth declined. Real per-capita income fell by around two thirds (from around 18,000 constant US\$ in 1981 to about 8000 US\$ in 2000) (WDI, various years). By 2002, Saudi poverty rates rose and nearly a quarter of the population subsisted below the national poverty line. However, the increasing privatisation of development has also altered the resource allocation rules. Whether at high or low oil prices, private-led development redistributed income upward to the merchant-comprador class. As a case in point, despite high average oil prices between 2002 and 2013

(in the 100 US\$ range), in 2013 various news sources reported that a quarter of the Saudi population still subsisted at incomes below national poverty line.[8]



Since 2014, the kingdom had registered a significant deficit because of falling oil prices: from the undulating plateau of 90-110 US\$ per barrel to a lower one of between 30-55 US\$ per barrel. However, as the higher rates of return for the private sector must rise and the pool of excess dollars covering state activity diminishes, the monarchical canaille engages in more vicious forms of competition. The current coup's related imprisonment of leading Saudi billionaires and the shooting of two other princes are leading indicators.

I must stress that it is not only lower oil prices that dampen Saudi developmental performance; it is also the rate at which national wealth escapes abroad or moves up relative to the income share of the working population. Seen from an accounting perspective, the worsening Saudi balance sheet and attendant social problems could be and in fact were easily foreseen. It is almost a matter of straightforward arithmetic: if the price of oil falls below the breakeven point for long periods of time or (inclusive or) the income of the wealthy class and imperialist tribute rises at a faster rate than the share of wages, the Saudis' economic and social problems will intensify. Here is a caption from the foreword to the UN report about Western Asia, which predicts the current Saudi crisis (UN, 2007).

But only three years after the decline in oil prices in the first oil boom, per capita income fell drastically, and *certain states* resorted to short-term borrowing from private banks at high interest rates to redress their fiscal deficits. Recently, moreover, speculative elements have accounted for a significant proportion of the oil price. If speculative pressures subside, a fall could occur again, yet this time at a higher rate.

Of the *certain states*, Saudi Arabia is the only Gulf country to have borrowed significantly. Ludicrously, the United Nations (UN) omits mention of Saudi Arabia and uses *certain states* instead. The UN censors much criticism of the Kingdom and avoids showing it in bad light. The UN has appointed Saudi Arabia as the head of one of the Human Rights Council panels, and onto the UN women's rights commission.[9] The UN as well as mainstream media invest much effort to project the idea that the Saudi monarchy, which is key to sowing anti-women ideology across the world, is capable of reforming from within. The latest right to drive for women (late 2017) was unashamedly hailed by Amnesty International as a concession made by the Monarch in response to women's activism.[10] It is incomprehensible how a step by step reform could take hold in a kingdom whose *raison d'être* is to instil social regression and cultural differentiation that serve as pretext for permanent war.[11]

Currently, the Saudi sovereign fund is at 225 billion US\$,[12] the accumulated deficits (around 134 billion US\$) and the arms purchase deal taxes Saudi with an additional 110 billion US\$, *grosso modo* these shortages do not constitute a significant financial crisis. However, it is not the magnitude of the deficit in relation to the national debt that is

damning, it is the amplified accent on private agency in resource allocation and income redistribution, which is of concern. The rates of imperial and comprador rents must grow at the expense of the war industry and its casualties and the immiseration of working people. Instead of rearranging the macro context to temper profit rates and limit the leakage, that is to roughly restrain the rate of usurpation from the public interest *qua* corruption, MBS embarked on a more radical privatisation plan, the 2030 plan.[13] This plan enlarges the crucible for corruption as it deregulates all value transfers in favour of the King and international company. The degree to which the neoliberally imposed policy context dips into the wage bill and destroys national assets will roughly be determined by the risk in the national market and the freedom the capital class enjoys tapping into national resources and shifting assets abroad. Corruption is handed down by imperialism as macro policy measures to a receptive comprador class. The de-regulatory policy battery is the incubator of corruption. It is a testimony to capital's ideological victory how the mainstream, which re-regulates resource flows to the top one percent under conditions class-dependent institutions, and still parochially indicts "corrupt individuals" for the lost development opportunities.

The missing dimension of the coup

While the orchestrated Palace coup is afoot in Saudi Arabia, few are paying attention to the potential disruption that such a fiasco may entail for the global oil markets.[14] At the present juncture, the US's stock of power has grown because of the rise of yet another more US-loyal and obedient Saudi prince (MBS). If the tragic prince manages to survive, the US will have in place a more trigger-happy anti-Iran asset than the deposed Epicurean – "what is in it for me" – bunch.[15] The rise of such war-inclined agent to power strengthens the US-led imperialist class relations accumulating by means of encroachment wars (Kadri 2014). If he does not ascend to the throne and Saudi Arabia capsizes, US-led capital will still reap war related profits arising from the wreckage he leaves behind. Contingently upon the degree and duration of violence, in case war erupts either across the Strait of Hormuz and or by an internally collapsing Saudi Arabia, the levels of global oil supplies may fall below demand. Oil shortages can be short-term serious or long-term chronic, which is nothing like the insignificant shortages experienced in 1973 whose exaggerated effects represented the trojan horse by which financialisation arose. It so appears that no matter what happens in Saudi Arabia due to the coup, China and many of the oil dependent states may incur a loss.

However, does the rise of such a US-marioneted prince offset the recent losses of America and its allies, in Syria, Iraq and Yemen? Furthermore, would it not be the case that any serious disruption in Saudi Arabia, the US's protégé nation that guarantees stability in the global oil market, would hold an increasingly grudging world hostage to the global hegemon? Questions of receding American power and imperialist racketeering come to mind. As they should.



Incidentally, whether MBS, the vengeful prince, can pull it off – given that he has eroded many of the outstanding sources of Saudi authority – or whether Saudi Arabia will fragment following in the path of neighbouring states, are issues that bedevil the stability of global oil supplies. This is a risk like no other in modern history. A protracted conflict either within Saudi Arabia or with Iran, one that is different from the ongoing Saudi aerial-bombardment of the resisting, but starving, Yemeni people, would be a first in recorded history, especially as it may entail chronic shortfalls in oil supply. Although the current oil market is buoyant, partly citing political uncertainty behind the higher prices, the mainstream's overrated "hypothesis of efficient markets" cannot envisage a scenario of strategic shortfalls in oil production.[16] Such scenarios are said to be algebraic-time incoherent (the steady state or conventional time we use to predict the future); these would-be events (hypotheticals) are entwined with the uncertainty of history, or with the way dominant political forces undergo a *volte-face*. Although uncertainty is more about the dialectic of social continuity and discontinuity, let us just say that at some time in mid-stream, people organised and in a position of power suddenly change their minds and change the course of history. Fortunately, the actuaries of the mainstream cannot grapple with real or social time events (uncertainty), otherwise these pundits would be hired to predict the timing and abort the next revolution; the hope of billions around the planet for emancipation.

Playing with oil supplies is synonymous with the politics of brinksmanship. Oil is a strategic commodity for many reasons, foremost because it provides much of the energy required for sustaining world population growth. The high energy content and versatility of the black liquid supported the expansion of humanity from a little over one billion at the beginning of the twentieth century to more than seven billion now. As oil and energy from oil to sustain or improve upon production levels fall below consumption for periods that exceed the drawing down of stocked reserves, the strategic impact of oil becomes all too clear for everyone to see.

It may be as well to recall that Saudi Arabia is peculiar in the world of oil production. It provides what is called a "production cushion" by its ability to quickly pump additional oil (around 2 million bpd) to balance abrupt global oil shortages. *Pari passu*, instability in the Saudi state infuses a higher risk premium into the oil price, which otherwise would not be necessary. The bravado positioning by the Saudis or the Iranians, the "I can bomb the hell out of you" cant may not all be to waste because it injects additional dollars into the oil price. The Saudis and Iranians can sell the oil, but neither Iran nor definitely Saudi Arabia command history. The Saudis and the Iranians cannot bear serious influence on the strategic character of oil. Ultimate control of oil is in the remit of the imperialist power and or the way history, the resultant of objective and impersonal forces, plays out. A scenario that includes a prolonged absence of such Saudi cushion *qua* safety valve and, possibly a decrease in Saudi oil supplies, the strategic side of oil, spells adversity for most oil dependent states.

China in the whirlwind of imperialism

Of all the oil dependent states, China is the world's biggest importer of oil. On the face of it, China may be hardest hit. In a sense, a significant drop in Saudi oil supplies may more than just dent the high Chinese rates of growth (the effect of significantly high oil prices without oil shortages). The effect of longer-periods oil shortage may also bring a significant portion of China's production capacity to a halt. As is well known, China's inexorable rise is anathema to US empire. An empire is not simply a big economic power. China is a big economic power, but it is neither an empire nor imperialist. Defining imperialism by the

exploitation of wage labour would make the grocery store next door imperialist. By way of short definitions: Imperialism is an extension of class exploitation by violence assumed under the agency of the nation state. Classes, the intermediates of political will in forms of social organisation, make history. The nation state is the ultimate intermediated structure of class.

The overly analytical minds of the orthodoxy employ such atomistic logic (grocery store imperialism) to define China as imperialist. But then again, the mainstream is paid to exonerate the imperialist or the dominant actual and ideological force in history. Imperialism is a real and historically specific form of exploitation that draws wealth from whole nations by coercion and violence. The state as a form of class organisation serves as the structure and conduit of “commercial exploitation.” Unlike the common form of exploitation, commercial exploitation is a process of depriving whole peoples of their will and ownership of resources. It emerged with the Marxist definition of the economic role of chattel slavery. Forms of slavery, the practice of commercial exploitation, have progressively come to involve the de-subjectification of whole nations. De-subjectification is the loss of effective agency in value forming relationships, as in people losing control of themselves and their resources to the imperialist power. As the crisis of capital deepens, commercial exploitation never ceases to serve as pedestal for northern wage labour. By the way, I am using Northern and Western as ideological and not geographic descriptors, which makes MBS a purely US-European product unrelated to the practice of Mecca’s ancient Caravan trade. With the progress of time, we must look for the forms of commercial exploitation in the imperialist wars that undo the states of the developing world and inflict a high degree of depopulation.

Initially, capital required limited forms of slavery, like chattel slavery. However, imperialism in the monopoly age, the state to state form of commercial exploitation, extracts more of the conquered peoples’ wealth by commodifying their lives – turning people and the environment into cheapened commodities that serve the pursuit of higher profits. It literally must consume peoples’ lives in a shorter time span relative to the historically determined living standards and life expectancies. Technological progress under capitalism improves the war-related technology, and involuntarily, the means for the prolongation of life. Growth of technology, war technology and war are market processes alienated from social control under capitalism.

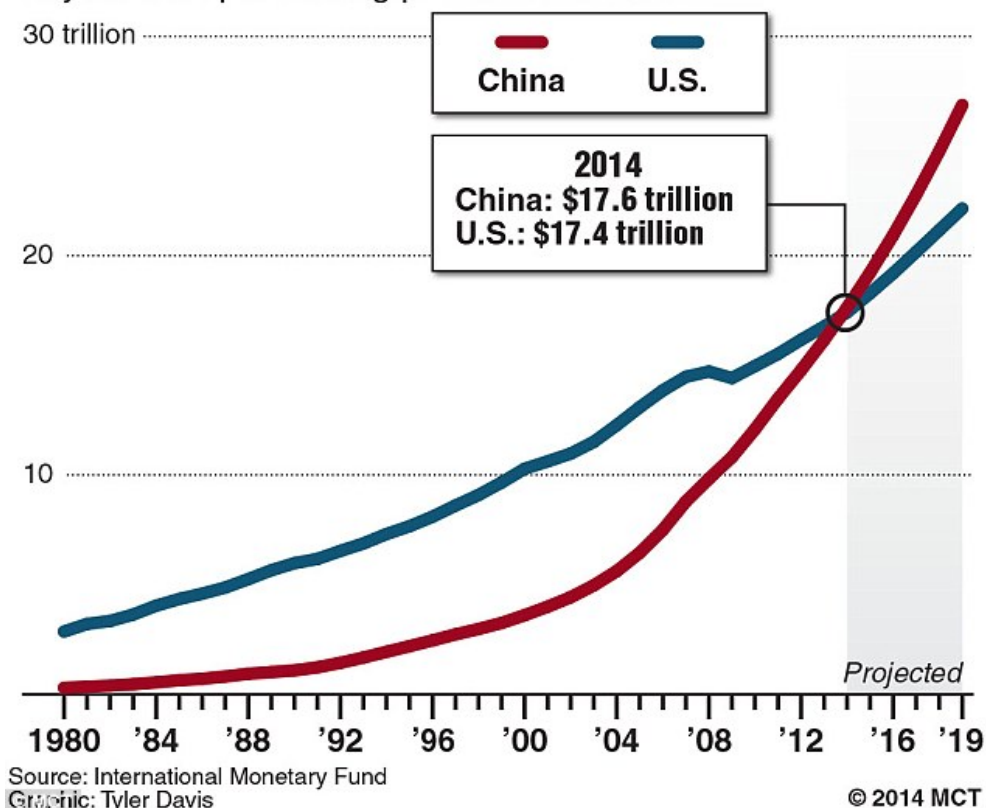
War, as a domain of accumulation, is the shortest route to premature life extinguishing and, therefore, the *furnace of surplus value* making. People are value. They are the labourers and the stock of labour power at once. People are not cheap, they are consumed as existing value and de-commissioned by a history of imperialist slaughter. This is quite different from the conventional notion of military Keynesianism, which measures monetary form, as opposed, to the value content of war.

China, in particular, bore tremendous losses at the hands of a history ushered by Western imperialism. An empire, on the other hand, is something like the US empire. It is heir to centuries of accumulated European colonial and imperialist plunder along with, and this is an oft-missing point in the analysis of imperialism, the culture of ideas that justifies expansion. Anouar Abdel-Malek was the forerunner of the ideas of Orientalism and the historical surplus value (Abdel Malek, 1963). The amassed culture (culture as the store of knowledge) of empire is crucial because often the mainstream treats wealth or things as things without the ideas that organise the making of wealth or things. Wealth and the social relations that produce wealth (object/subject), including their attendant forms of social

organisation, are inseparable and must be treated together. The accumulated cultural wealth of the subject of history or empire, which expands the production of commodities by means of war, illustratively signals its strength by the extent to which the masses perceive imperialist aggression as a democratic or a human rights related practice.

China vs. the U.S.: GDP

Adjusted for purchasing power of currencies



China, which until two centuries ago was the leading civilisation of the planet, has arisen and grown. All else remaining constant, within a decade or so and at the present rates of growth, China will even be bigger than the US in nominal dollar terms GDP. It is already bigger in terms of purchasing power parity exchange rates. Recently, Chinese scientists and engineers are leaving the US to continue their studies or to work in China.[17] Conditions of employment, salary scale, universities and research are becoming competitive. A bigger China heralds a *material rupture* (a break with the past in the global balance of economic power). As China becomes big enough, it also becomes inevitable for an *ideological rupture* to follow (Althusser, 1962). The rupture may not be socialist, but it will be a break with the past as US-dominant ideology loses grounds. That latter rupture, a dethronement of the dominant culture and ideology, of ways of knowledge and modes of social organisation, must follow either because of reasons related to a rising intrinsic ideology peculiar to China or because the rift that China creates leaves open the space into which new forms of political organisation and their corresponding novel ideas (ideologies) would grow. At any rate, it is *necessary* to apply the brakes on the mass of Western ideas and a logic whose money signification in the profit rates include war and forms of slavery as inputs.

Although China is not a market economy by any stretch of the evidence and may not even be described as capitalist, because it is state-owned and controlled with investment and production state-directed, with profit secondary to growth as the objective (Roberts, 2017), internationalist working-class organisations sharing the universal value of socialism are also not in the waiting. Organisationally and ideologically, socialism is in its worst crisis since the

mid-19th century. It has contracted the virus of liberal democracy as opposed to proletarian democracy, while the platitude that socialism was tried and failed continues to grip the popular imagination. Without exception, the apparatuses of imperialism continuously revise history and the numbers that Stalin supposedly killed, which are facetiously in the hundreds of billions, serve as the false front for the moral condemnation of communism. But what is particularly stultifying in capital's ideological assault is the personification of history, as in one person makes history. Capital spectacularises world events and perverts modes of perceptions such that "bad guys" like Saddam and Qaddafi exist outside a social context and must be destroyed along with their states. On the other side of the spectrum, the twentieth century experience of socialist forces cloning the Soviet model, initially via the "Comintern," imposing a prefab-universal model of socialism upon national liberation movements does not help either.[18] Many Arab communist parties, for instance, blindly followed the edict of the Soviet Union and in 1948 recognised the colonisation of Palestine. That was a historical mistake from which they have never recovered. Subordinately to the dismal organisational showings of socialism, the "either good socialism or nothing" mode of thinking, a formal binary reared by Hollywood culture, undermines the formation of a revolutionary working-class consciousness that ties reform to revolution. Otherwise, revolutionary consciousness situates the cultural or national form of struggle at the service of internationalism.

Mao Zedong's socialism with national characteristics opposed a teleological understanding of socialism. Mao's (1937) definition of the philosophical universal, more appropriately the "general", as the historically unfolding realisation of "particular" struggles, which do not culminate into a preconceived form of communism, aligns the national dimension of the class struggle with internationalism. His was not a world of good and bad guys into which socialism will appear from nowhere. His was the real intercausal world dominated by belligerent imperialism opposed by weak anti-systemic liberation movements whose fights are shaped by cultural identities infused with class consciousness. This was an anti-dogmatic position in which not only and not always were Soviet-allied communist parties internationalist.

Just as capital counteracts its own homogenising forces via identity politics or labour differentiation, labour through the exercise of its "particularity", through national liberation movements, re-universalises the condition of production for labour and bridges global living standards. Capital integrates the world market, but as the less developed must become similar in level of development (homogenisation), it bludgeons them into inferior status (differentiation). By shifting the focus in the struggle on class as opposed to identity and, equivalently, on liberation as opposed to nationalism (in the oxymoronic term national liberation), the "general", as the condition of how close we are in our state of flux to equalising the production conditions/living wages for global labour, comes into view. The universal/general as a category is the restless mediation of all the different particulars.

Every song, dance, tradition and identity must be reasserted as political practice so long as the struggle targets the sphere of production as opposed to circulation. The imperialist form of capital's practice shuns equal jobs for equal pay across countries (production sphere) and prefers to redistribute higher wages to one national working class over another (circulation sphere). The realisation of socialism as that "general" condition is contingent upon forms of organisation and consciousness that eschew Northern welfarism and homogenise returns per origin of production and working condition. Northern welfarism brings production-side

wages across gender and other social constructs closer together, but it does so as the booster of imperialist armies. Better Northern living standards include an imperialist rent component and are not only wrought from the hijacked struggles of the Northern classes. The rent in Northern wages is the allocation of the historical surplus value or that share of the historically accumulated wealth mostly torn from humanity's labour by the exercise of violence and commercial exploitation (For similar arguments see Abdel-Malek, 1981; Caldwell, 1969).

In view of the preceding outline, why should China's rise be supported?

With the rise of China, there will be a change of power at the top of the global pyramid in the international division of labour and an eclipse of outstanding US-European culture. The realisation of socialism will be contingent on the class struggle. In any case, praxis is about exerting pressure on imperialism and should not be solely motivated by a yet to be instantiation of utopian socialism. Most liberal intelligentsia characterises China by the self-evident principle of "state capitalism" and follows through on the argument with anti-Chinese practice, re-asserting US-led imperialism, just as it did against the Soviet Union during the cold war. However, capitalism does not auto-negate into socialist utopia overnight, and the "ideal socialism or nothing" sanctimony of the Northern left reflects a deep-seated infatuation with bourgeois democracy/culture and is simply a pro-imperialist class position.

In the case of China, internationalism stood on stronger grounds until the coup against Lin Biao in 1971 and the rapprochement with the US. However, the current strength of China is are positioning windfall for national liberation movements. An ideological big wall of China has arisen. One promising indication remains that the Chinese model principally reposes on socialism as opposed to neoliberalism. Even if socialism does not ensue from global power rebalancing, at least, the apparatuses that have historically accumulated the drivel of "let NATO bomb Libya, Iraq and Syria to liberate them from their tyrants," would flounder. At any rate, the degree of these global alternations potentially bears the long awaited civilizational turnaround: the elimination of genocide for the sake of progress, or put bluntly, the "kill the third-worlder and weep for him or her" ethos of the white man's burden, becomes likely. In a manner of speaking, humanist theory and, its ideological arm socialism, are at their nadir such that any motion unseating US-led capital and its dominant ideas must bear fruit. But, so far, one thing is for sure:

"the East wind would have defeated the West wind," as per Mao Zedong.

Meanwhile, arresting the advance of China has become something of an American obsession. For those who stress that China is imperialist, they foresee a détente during which both imperialist powers (China and the US) would jointly feast on imperial tribute – a sort of super-imperialism in which the US and China cohabit and split the imperialist rents. Even were such a hypothesis true, that is, if China was imperialist, one is also reminded that inter-imperialist rivalry motivates warring because, under capitalism, all predatory parties take their cue from fetish-like market forces that are alienated from responsible social control. People fall victim to external market forces shaped by profit making. In such a world, objective circumstances that escape the command of reasonable people *systemically* lead capital, the class in control under capitalism, into war. There were always wars, but their frequency, causes and modes of realisation vary according to the historical periods in which they occur. Even under the two-imperialisms assumption, the US

and China will collide. However, the reality remains that China is not an imperialist power by any stretch of the imagination. China is still shedding the shackles of years of colonial loot and wars of depopulation.

Worse yet, the current mainstream's neurotic fixation with stymieing the ascent of China has gotten to the point of recommending a pre-emptive nuclear strike either within the intermediate term (the window of opportunity) or while the US still enjoys "nuclear primacy" as one of the feasible political tools at the US's disposal (Gompert et al., 2016).[19] A recent assessment posited that a "Pentagon computer model estimated that a U.S. counterforce strike against China's ICBM silos using high-yield weapons detonated at ground blast would still kill anywhere between 3-4 million people... this makes using nuclear weapons thinkable for the first time since the 1940s (Keck, 2015)."[20] The imperialist vernacular of nuclear war was never solely a veneer for power positioning. However, with Trump at the helm, there is something to sombrely ponder about an inchoate president playing the role of madman at the pinnacle of an empire that contemplates the use of nuclear weapons as a first strike option.



Still, Trump is no exception to the streak of past US presidents. In the early 1980s, Bush Senior comforted himself with the thought that more Russians would die than Americans in case the US nuked the Soviet Union first. The theory with which conventional wisdom explains such mad presidential behaviour is dis-ingeniously called the "madman theory." Apart from having nothing to do with theory, this theory has little to do with the personality of the incumbent president. In the nuclear age, playing mad is practically part of the job description of all US presidents. What is connectedly disconcerting however, is that the madmen of America are faced off against a "thuggery" in Russia provoked by imperialist encirclement. As Tillerson noted, Russia, by virtue of its nuclear arsenal, imposes its will.[21] In such a world of strategic alliances, no game theoretician can ingeniously draw up a mix of "thug and madman theories" and, all the while, pinpoint to a no first-strike equilibrium position.

Above all, the liberal bent of the empire and its presidents, including their overall culture of *selective* democracy (democracy for the few), regards as primary bourgeois rights and "negative freedom" (national defence and defence of interests in foreign territory) and only pays lip service to social rights or human lives. The proof for this is evidenced *ex post-facto* in the hundreds of millions of war and related deaths at the hands of liberal or social democratic Western regimes in the 20th century.

A Western social fascism breeding in a liberal or bourgeois democratic receptacle combined with a *primacy of politics* or, the premise that imperialist aggression has principally sociological causes, mean that no Chinese adage of "one tide lifting all boats" can write off the prospect of outright or surrogate confrontations with the US. The ongoing wars in the

Levant and Ukraine may be considered as proxy wars that disrupt China's new Silk Road. Placing the pursuit of power for stability of capitalist rule before instantaneous economic gains is the sociological underpinning of imperialism. That is not to say that economics falls last. Economics is determining in the last moment or after working people have been coerced or commodified by violence to extract the most value for price out of them. In most cases such a process of objectification (turning people into objects), the most gruesome aspect of the law of value realised as imperialist or colonial practice, involves depopulation by war, hunger or severe austerity. The mainstream, including the western Marxists, de-abstract the higher rates of depopulation wrought as a result of imperialist violence from the workings or the totality of capital. For that line of thought, capitalism is the exploitation of the productive worker in the modern factory, while the death from hunger and wars are related to the age-old practice of imperialism.

However, capitalism has always been about factories interlocked with the global production chain producing commodities *en-masse* and factories (ideological apparatuses) producing the consciousness that suits the overproduction of commodities (Curcio, 1983). What we leave into the theory of exploitation and, what we tweak out of it (de-abstract), determines who we are ideologically. There is a class and ideological content to the concept of the factory: how widely encompassing it is and what it includes. There is also an ideological content to the concept of value: whether it is that share of labour employed from the total labour available to humanity or just the national labour force. There is an ideological content to war as economic practice: whether it is an extension to support central production units or not. Obviously, for Western academe living off the avails of imperial rent and incorporating Marx into its corpus, the factory is just the modern unit, value has national boundaries denominated by its own moneyed form and, war is a costly *mission civilisatrice*.

Such reductionism is theoretically inadequate because capital reconstructs the money form, not by productivity, but by class and power relations. Moreover, it has been customary in our globally integrated world, serving as one big factory, for the production of *suitable consciousness* to entail the coercion of people up to the point where they become unconscious of their interests. Defeating peoples into submission or into slave-like conditions, to de-subjectify them as in stripping them of their power to negotiate, is a principal characteristic of commercial exploitation. A commercial exploitation, whose foremost modern form is the deconstruction of states by war, is central to setting the global moneyed and non-moneyed terms of exchange.

Hence, the pursuit of power of which one speaks is not some presidential or royal psychological whim, it is the power that cements the rule of capital, the governing social relationship in the historical phase known as capitalism. The most ferocious side of capital is imperialism, or the social relationship by which private gains expand by commercial exploitation and its extreme forms of commodification *cum* consumption of man and the environment. Here even the semblance between free agents entering into an exchange contract disappears. De-subjectification by violence is the *sine qua non* to capital and intrinsic to imperialism. The necessary, but not exclusive, theoretical reason for the violence arising from the particular form of capitalist accumulation follows the value relations within the commodity itself. Violence specifically follows the contradiction between use and exchange value (public or social usefulness of commodities vs. the way value is torn from people and expropriated privately). The private category is set against the public via a process of coercive and violent alienation, which becomes encroachment wars in the developing world.

Capital deprives the labourer from his or her own self, the resources of the labouring class and the fruits of labour. It is misplaced to theorise war and accumulation by trans-historical behavioural characteristics. For a theory to be pertinent, the *immediacy* must be situated in the *mediation* or, the present must arise based on the historically specific social forces that have shaped it, not the game theoretic accounts of “he did – I did.” The *appearance* of permanent imperialist war has its *essence* (essence as in value relationship, not as by the most recent use) in the genome of the capitalist system, or the commodity as self-expanding value.

The point of the above is that violence under capitalism is rooted in the law of value, and that China’s rise redresses the balance of power with empire and much of the value for low prices that the US earns in imperial rent will be lost. In such a metabolic order – metabolic as in the making of wealth consumes man and nature as cheapened inputs – China cannot continue to wiggle its way out of the US’s wrath (the commodification of its own people) and all at once, climb to the top of the global economic ladder by stealth. As the chief capitalist power in history, the US is being led by its own objective and alien market forces. It *unavoidably* must stop China. The case may be that it is only the reasonable view of some US strategists who foresee the prospects of any nuclear disaster as mutually assured destruction or a nuclear winter, which mitigates the realisation of that abominable first strike scenario (Johnstone, 2017).

The market imbroglio

With the nuclear confrontation’s prospect being serious but remote, China’s market-led expansion remains vulnerable so far as its trade routes fall in areas of US sponsored or instigated wars or through states under the thumb of Uncle Sam, like the Gulf states. More to the point, China’s energy security and circuits are vulnerable. The recent coup by the defiant Saudi prince potentially destabilises that circuit in a region that exports a fifth of global oil supplies, which flow through the Hormuz strait on daily basis. Saudi Arabia itself produces nearly a sixth of global oil. Apart from the Soviet targeting and depressing the sources of German strategic oil supplies in WWII, oil demand and supply have since run tightly close to each other. So, to restate the obvious, missile-lobbying within Saudi territory or across the waters of the Gulf strategically harms all oil dependent countries.

Although China may incur some shortages in the short term, other powerful emerging countries such as India will also lose. This begs the question: can the US regulate the sabotage of oil supply and production across an oil dependent globe? With the US being the third largest producer of oil and with its capacity to speedily increase production via unconventional drilling methods, it can be selective in choosing the parties it wants to bail out and the parties it wants to leave behind. For the latter group, their resources will be disengaged or be put up for grab at fire sale prices, and their capital could flow North to the safety of dollar markets. Just like every global war and recession so far, a war in Saudi or with Iran *may* turn out to be a wealth and value restructuring arrangement in favour of US empire.

For the US, it is the impact of the chronic oil shortage on China’s internal security that counts. China’s Achilles heel may still be the loosening of the centripetal pull of the Beijing authority upon the vast stretches of the successor state to the heavenly kingdom, as per just about any caricature reading of Chinese history. However, modernity and its trappings have eroded distances and homogenised traditions. The heavenly kingdom has become worldly with bullet trains now crossing the country. The effect of the oil shock may not

shatter China, but can it bring its working population to endure the effects of severe austerity – up to the point of subversionary spill-over. Put differently, can the shortages of oil combined with an overstretched Chinese credit market – as in China's debts triggering a financial bust or a Minsky moment – precipitate a downward spiral steep enough to thrust China into the sort of shock therapy and internal collapse that undermined the post-socialist Soviet republics?

The simple answer is no. China is too big to fail. It is true that Chinese public or private institutions may have overborrowed in times of economic expansion and might be overexposed in the downturn: the Minsky moment. It is also true that steady attempts to electronically link Chinese finance to the global market and circumvent its restrictions on capital outflows are ongoing. However, China grows in the safety of a regulated capital account. Minsky moments can be contained. It is not just because a crisis may undervalue the Yuan and, consequently, higher exports incomes may rebound markets, that China may be saved. Price movements and macroeconomic accounts are within its purview. China is a huge net lender. It is not some banana republic short leashed by debts to the financial-bogeyman institutions of imperialism. It lends the imperialist institutions. China has lent and borrowed from itself and according to the conditions it lays out, including the manipulation of the interest rate to balance its savings and investment rates. In a worst-case scenario, China can always restructure the conditions of debt repayment with standstill type arrangements to avoid collapse. Such autonomy is the fruit of the regulated capital account that locks much of the surplus value within the national boundary, a policy widely recognised as the precursor to China's economic success.

At the present interval, prominent scholars of China venture to ask what would happen if China decided to impose sanctions on the USA (Chossudovsky, 2017).[22] With Russia becoming its first supplier of crude, China has enough partnerships for energy supply, productive capacity and financial wherewithal to withstand the shock and possibly use the opportunity to recapitalise with alternative energy sources. China is also adopting measures to avert an energy sparked crisis. Already, China invests in electric vehicles, renewables, and its own shale and coal reserves, which will reduce the country's dependence on foreign suppliers (Butler, 2017).[23] Moreover, higher oil prices incentivise regions that produce at high cost, shale and tar sands, to join the chorus of oil producers. With so much additional oil production and state credit available, with the window of opportunity by which a Saudi-US instigated oil shock can trigger a financial bust in China. For imperialism, neither the first-strike nor the market-strike windows of opportunity are viable options.

China is the world's leading auto-sufficient system of market accumulation, but it also has a huge socialised sector that can backstop a crisis. Short of nuclear war, the Chinese system is rooted in the protectionism of the socialist era, which makes it somewhat undefeatable. For China, development and working-class security are key to national security. Its trebling of manufacturing workers' wages in a little over a decade signifies the lingering centrality of labour in the state. Politically, the living socialism in the Chinese model can be discerned from the neoconservative critique levied at Xi Jinping. The latest of such critiques (November 2017) by the Brookings Institute regrets Xi Jinping consolidation of power and his lack of willingness to override entrenched interests resisting neoliberal reforms – especially financial openness and labour market rigidities.[24] While on the socialist side, the late Fidel Castro stated that Xi Jinping is one of the strongest and most capable revolutionary leaders he has met (Castro, 2014). The demarcation lines have been drawn.

Just as Chinese export-led capitalism slipped into socialism behind the philosophical

argument of “the two uniting into one,” so too can socialism displace any remnants of capitalism under some new form of the argument of “the one divided into two.”[25] These aphorisms were about how much capitalism should China introduce into its socialism, and whether socialism can survive the growth of an unequal wage system. In times of crisis, socialist measures become indispensable to the capacity of the state, any state, to provide and cement the popular national defence lines. The reassertion of socialism in China’s nineteenth Communist party congress (2017) signals China’s awareness of the seriousness of the mounting geopolitical contradictions.

MBS as the American war asset

For a considerable period after the end of the Cold War, no matter how foolish or miscalculating US empire appeared, right or wrong, the outcome of its actions favoured its status. The US could lose, but its very loss would be a win because there was no other power challenging its hegemony. For instance, in 2003 the United Nations did not authorise the invasion of Iraq, but the US invaded. While there was no power to challenge its decision, the nexus of war and financial expansion played in favour of its capital class. So long as the US was unchallenged, it had won whether it acted soberly or foolishly. History was American and in history there is no right and wrong. What was necessary for history, that is necessary to service the expansion of commodity production via a metabolic order auto-reproducing by value destruction and creation simultaneously, was also borne out by the immediate politics of the Oval office. An identity or a complete reconciliation of historical necessity and immediacy in politics as chance was nearly always in evidence. The Hegelian utopia in which the dialectical category of necessity *became its opposite chance* materialised, albeit, until the world realised that the bombing of Libya in 2011 was just another imperialist state destruction project. Applying the same NATO sponsored measures to Syria became impossible because China’s considerable presence permitted Russia’s direct intervention.

That ideality, the identity of necessity with chance or coincidence, is no longer the case. Immediately after the end of the cold war, that same ideality was dubbed an end of history. But necessity and chance are not just formal ideas without referent in reality. The bombing of Baghdad in 1991 has brought more pressure to bear for the world to become more unequal. The weakening of Arab socialism contributed to weakening global labour.

On the macroeconomic level, the US’s share of the global market has been declining vis-à-vis China’s. It is around 15 percent for the USA (2017 figures), while China’s is 18 and will rise to 20 percent in 2020. Politically, the US’s receding hegemony in Iraq, Syria and Yemen and the hemming in of Iran and Turkey upon the northern border of historical Palestine, are the harbingers of US imperial twilight. The US had tried in vain to enact a no-fly zone over Syria, but was faced with by the Chinese and Russian veto. More recently, the US’s attempts to sacrifice the Kurds in Iraq have failed. Such concrete events as manifestations of many chance occurrences signal an opportunity to be appreciated, a novel historical necessity, the rise of the developing world behind the new big wall of China.

The US’s Saudi sponsored coup, a fratricidal spectacle torn from the pages of a Shakespearian play, will most likely flounder because manic MBS has confronted *public power (the Leninist class-based understanding of the deep state as an instrument of capital)*, the bureaucratic structure and the order of kinship and clientelism holding together the kingdom. The coup will likely fail also because no one is convinced that it is an anti-corruption campaign. In fact, the present king was most opposed to corruption investigation in the past.[26] Although one may speak with confidence that the long-term prospects of

Saudi Arabia under the current private resource allocation measures are grim, the early signs are that the Palace putsch is foolhardy.

However, MBS is no bull in a china-shop. He has been in command of the strongest units in the Saudi army aggressing Yemen. The supportive US is aware of his moves and has long had substantive military forces in Saudi Arabia. MBS is fighting the American/Israeli war in Yemen, leaving millions on the brink of starvation. This war is not about a sectarian Zaydi-Wahhabi war; it is about the control of the Mandeb strait, the alternative route to millions of barrels per day of Saudi oil in case the Gulf experiences war-disruptions.[27]

More important, the war in Yemen is an extension of the destruction of value, death by war, starvation and related diseases, from the horn of Africa to the Sahel. It is baffling how the mainstream, including western Marxism, narrowly focuses on the woman's contribution to social reproduction as if capital is of the male gender targeting women's do-good recreation of value or labour power. The role of women is crucial, but social reproduction, the regulation of population growth as the stock of value, is holistic. Capital as the principal social relation in history hands orders to socially reproduce, chiefly by means of eliminating lives as value, before mothers' milk is passed to infants. Lives, humans that is, are the beginning and ends of social reproduction. The hours spent in producing moneyed commodities are inseparable from hours spent in reproducing non-moneyed commodities, including the production of waste.

Shifting the focus of the labour theory of value away from the non-moneyed or dollar-cheap and shortened third world lives is laden with ideological bias. Such reductionism is falsely adequate because the people involved in interpersonal comparisons and evaluation of practice (the determinants of theoretical adequacy) are of the same denomination. They regurgitate the existing lopsided structure of class and power relations. Following Emmanuel (1972), the discrepancy in the structure question can be posed as such: why the cheaply priced life of an Iraqi consumed in war predicates the more expensive life of a New Yorker gradually consumed in the drudgery of western industry. Dropping this link because one life is already more money-valued than the other, leaves the historical question of which value, class or power relations set the moneyed terms of trade out of the picture.

Moreover, the more conservative strands of the mainstream analyse the third world and its value/life destruction away with an assortment of undying, conflicting and shifting identities.[28] While the war, the waste side of the system, is its more decisive constituent, the theory of the neoclassical economists, the most absurd of the mainstream, offer a fictional society choice between guns or butter. Guns, the shoddy metaphor for wars, involve the restoration of power structures and the consumption of people as commodities by people as labourers. In real society, people are the starting point of value making and are value themselves. The consumption of living labour by living labour organised as classes with national structures, engaged in the permanently imposed wars of imperialism, is an act of commercial exploitation that limits the progress of the weakest states. In this unending, anachronistic and holistic war as production measure, the more powerful machines of the North and the higher prices of their associated commodities are determined by the historically accumulated power (real and ideological), cultural expropriation and the consumption of non-moneyed resources and human lives in the South.

Tautologically, the higher moneyed signification of the wealth amassed by imperialism circularly determines the higher prices and profits associated with Northern assets, including the wages of its working class. For capital, uneven development, theoretically

originating within the contradictions of value, was identified as an ontological condition or an absolute law of accumulation under capitalism before the recycled catchphrase now in common usage: combined and uneven development. Waste, wars, depopulation and environmental degradation are themselves producers of commodities in the process of consumption or realisation. These waste industries are also integrated precursors and end points in the civilian-end use commodity (butter-like as opposed to guns) realisation process of a global market that must tote the guns to produce butter. Accumulation by market expansion requires accumulation by encroachment wars. Seen from that optic, the continuation of war and or its escalation are the material and ideological foundation of capital, and its more ferocious form, imperialism.

The above brings us full circle to the definition of MBS as an incontrovertible war-asset to imperialism. The extolled NY Times reformer, is more than just a custodian of the oil spigots on behalf of empire. War and oil politics are complex and inseparable. MBS combines more of both than his predecessors.

History is against the US/Saudi alliance

There are other sociological reasons that might hasten the failure of the coup. The US held Saudi Arabia in a state of animated suspension to control/usurp its oil, it imposed upon that society an immutable state of consciousness re-enacted by a fabricated Islamic conservatism; such *stasis*, in which the European colonial settlement of Palestine remained unforgiven, would backfire if the gung-ho prince was to allegorically hoist the Zionist flag over Mecca. Saudi life before oil was of the typical peasant or nomadic structures in which everyone, men and women, worked and had a say in the decisions made. It was the combination of Euro-US imperialism that imposed an identity, which promotes idleness and segregation, and essentially, the subjugation of the Arabian Peninsula. However, the very reactionary identity *cum* social ideology erected by imperialism will at a moment's notice reinvent itself as anti-imperialist. This occurs at the juncture where the élan of resistance, the global ideological recharge occurring in the background as we speak, switches the meaning of popular parables from submission to revolt as per Frantz Fanon. In Saudi Arabia, the credo of anti-Zionism was uncompromised to compete with the popularity of pan-Arabism. More important, the anti-Zionist struggle is contiguous to peoples' liberation struggles in the region. Such legacies instilled at the popular level are the brakes that will hold back impetuous pro-Zionist-imperialist rapprochement.

Of course, the imperialist sponsored Sunni-Shiite identity schism reared by the invasion of Iraq and its US-erected Sectarian constitution is a sinkhole into which Iran had fallen, othering many into the Sunni hand-me-down imperialist rubric (The Bremer constitution for Iraq). But the recent gains of the multi-sectarian Arab Syrian army and the bitter victory of Yemen, a country that withstands a baleful famine in the process, had thrown a monkey wrench into the imperialist plot. The blowback from the defeat of the MBS-Zionist alliance/coup will air on the side of China. What China had sown into the Arab world, especially its long-standing support for the rights of the Palestinian people, will come to fruition. Although the short-term impact of oil shortages on China may be dire, the boomerang effect upon a US empire auto-eroding by the practice of racism inside and outside, and the instigation of war to promote its growth by waste industry, can also be dire. In the last instance, the coup will decidedly fail because China's influence is on the march.

However, just as there are imperialistically imposed identity-politics traps mitigating popular anti-imperialist unity in the Arab region and elsewhere in the developing world, there are

also similar hurdles of identity superseding class unity in the North. The weakness of organised socialist forces in the North and their ideological platitudes minimising the contribution of the global South to wealth-making and value are not haphazard, they are closely related to the accumulation of historical surplus value and its bearing on the production of working class consciousness. Theorising is never free of ideology; theorising that things or objects such as better northern machines bereft of historical subjects produce more wealth and justify higher northern wages is absurd thingification (things making and explaining things). The dominant strand of Western/liberal Marxism theorises only objects without subjects. It misses the point that the primary inputs in the furnace of wealth-making are the stacked wasted lives of peoples in the third world, labourers consumed alive as labour power in imperialist genocide; wars that are endemic parts of global production outside any teleological order. Depending on one's point of reference, wars can be the final stage in the realisation of commodities. The western point of reference, where western-machines manufactured-commodities are the last stage of production, is superficial and biased. To be parsimonious, the productivity/price of the machine/commodity is denominated in the dollar whose value, through the exercise of imperialist war, is reinvented by the west as store of wealth and means of exploitation. War precedes and follows any production process as input and output. War, as the industry that consumes all sorts of living and dead labour, is the first and last stage of any production and realisation process.

A system that must devour its weakest living social and environmental orders, cannot be reformed. Sorting trash for recycling in the North or producing electric cars to halt environmental calamity are measures of self-delusion, a fig-leaf that displaces white-man burden, especially as the social relations required to set the background for higher profits necessitate the destruction of the weakest human and environmental circles; ones like the ongoing Somali famine that killed one million children over the last two years, yet goes on almost unnoticed (Mountain 2017). To have voided the necessity for ironclad popular organisation as undemocratic and, to have swerved popular energy into futile academic tit-for-tats, hastens the real ricochet effect of imperialism: the rise of fascism in the North. The results remain to be seen.

Ali Kadri is visiting fellow at the Centre for Human Rights, LSE, and author of The Cordon Sanitaire: A Single Law Governing Development in East Asia and the Arab World, Palgrave, 2017.

Sources

Abdel-Malek, A. (1963). Orientalism in crisis. *Diogenes*, 11(44), 103–140.

Abdel- Malek, A. (1981) *Social Dialectics: Nation and Revolution* (vol. 2), (New York: SUNY Press).

Caldwell M. (1969) The Revolutionary Role of the Peasants, *International Socialism* (1st series), [No.41](#), December 1969/January 1970, pp.24-30

Castro F. (2014) Palestinian Holocaust in Gaza, Granma, <http://en.granma.cu/reflections-of-fidel/2014-08-04/palestinian-holocaust-in-gaza>

Curcio R. (1983). Crise de surproduction de rapports sociaux,

http://ekldata.com/EGBsK7PDkritjSo2qCdUpy_Id3s/Gouttes_Sol_Cite_Spectres.pdf

Emmanuel, A. (1972). *Unequal exchange: A study of the imperialism of trade* (B. Pearce, Trans.). New York: Monthly Review Press.

Johnstone P. (2017) *From MAD to Madness: Inside Pentagon Nuclear War Planning Paperback* – Clarity Press.

Kadri, A. (2014). *Arab development denied*. London: Anthem Press.

Kadri, A. (2016). *The unmaking of Arab socialism*. London: Anthem Press.

Mészáros, I. (1995) 'Beyond Capital: Toward a Theory of Transition', Monthly Review Press.

Moutain T. (2017) [The UN And Genocide By Starvation In Somalia](#),

<http://www.countercurrents.org/2017/11/09/the-un-and-genocide-by-starvation-in-somalia/>

Saudi Arabian Monetary Authority, (SAMA) (various years) Annual Report. (Saudi Arabia: SAMA).

United Nations (2008) *Survey of Economic and Social Developments in the ESCWA region 2007–2008* (New York: United Nations).

World Bank (2009) *World Development Indicators, WDI 2009* (Washington DC: World Bank), viewed 17 September 2012.

<http://databank.worldbank.org/ddp/home.do?Step=12&id=4&CNO=2>

Selected citation

Ali Kadri, "The Saudi palace coup, the oil market and China", *real-world economics review*, issue no. 82, xx December 2017, pp. xx-xx, <http://www.paecon.net/PAEReview/issue82/Kadri82.pdf>

You may post and read comments on this paper at
<https://rwer.wordpress.com/comments-on-rwer-issue-no-82/>

Notes

[1] Ali Kadri is visiting fellow at the Centre for Human Rights, LSE and author of *The Cordon Sanitaire: A Single Law Governing Development in East Asia and the Arab World*,

<https://www.palgrave.com/de/book/9789811048210>

[2] Leonard Peltier is a Native American activist who has spent over 40 years in prison for a crime he did not commit. <https://www.whoisleonardpeltier.info/>

[3] Saudi Arabia seeks to end U.S. lawsuits over Sept. 11 attacks

<https://www.reuters.com/article/us-usa-saudi-sept11/saudi-arabia-seeks-to-end-u-s-lawsuits-over-sept-11-attacks-idUSKBN1AH4RL>

- [4] See <https://www.nytimes.com/2017/11/23/opinion/saudi-prince-mbs-arab-spring.html>, and the following reply:
https://twitter.com/anhistorian/status/934080718816399361?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Etweet
- [5] The adjective impulsive tyrant appeared in the “The Saudi System and Why Its Change May Fail.” <https://www.strategic-culture.org/news/2017/11/21/saudi-system-and-why-its-change-may-fail.html>
- [6] Saudi Arabian Monetary Authority, (SAMA), TABLE (2):Annual Government Revenues and Expenditures.
- [7] US-Saudi Arabia seal weapons deal worth nearly \$110 billion immediately, \$350 billion over 10 years.
<https://www.cnn.com/2017/05/20/us-saudi-arabia-seal-weapons-deal-worth-nearly-110-billion-as-trump-begins-visit.html>
- [8] Saudi Arabia’s riches conceal a growing problem of poverty: in a country with vast oil wealth and lavish royalty, an estimated quarter of Saudis live below the poverty line
<https://www.theguardian.com/world/2013/jan/01/saudi-arabia-riyadh-poverty-inequality>
- [9] US Welcomes News That Saudi Arabia Will Head UN Human Rights Panel
<https://sputniknews.com/middleeast/201509231027429010-US-Welcomes-Saudi-UNHRC/>
<https://www.un.org/press/en/2017/ecosoc6824.doc.htm>
- [10] It is a testament to the bravery of women activists who have been campaigning for years that the government of Saudi Arabia has finally relented and decided to permit women to drive
<https://www.amnesty.org/en/latest/news/2017/09/saudi-arabia-right-to-drive-is-a-long-overdue-step-forward-for-women/>
- [11] In colloquial aphorisms traded amongst the youth in Arab cities, the Saudi royal family has justified the right to drone the children of *burqa* women by the right of women to wear makeup. Such is an example of the cultural differentiation.
- [12] Figures vary according to source and some Arab sources places the fund at 700 billion US\$. The quoted figure is from the *Financial Times*. Saudi sovereign wealth fund aims to double its assets to \$400bn.
<https://www.ft.com/content/e4d40b90-b99e-11e7-9bfb-4a9c83ffa852>
- [13] See this official link for details of the plan. <http://vision2030.gov.sa/en>
- [14] An internet search reveals one article written by a former NSA intelligence officer, which is aptly titled, “What the Saudi Shake up Means for China: The success or failure of Saudi Arabia’s reform campaign will have huge ramifications for China.” It is awry that only the intelligence services have an interest in such a topic. <https://thediplomat.com/2017/11/what-the-saudi-shake-up-means-for-china/>
- [15] There are many strands within the Saudi ruling circles. The “what is in it for me bunch” are, as the term implies, the sections of the royal family and associates who seek a higher share of the rent for themselves, but are also unwilling to sacrifice the whole social formation in the process. There are also those with sentiments of distrust toward US policies that have emerged from the extension of Iranian power to Iraq.

[16] OPEC sees evidence of oil market moving to balance.

<http://www.channelnewsasia.com/news/business/opec-sees-evidence-of-oil-market-moving-to-balance-9403148>

[17] China's 'Best And Brightest' Leaving U.S. Universities And Returning Home

<https://www.forbes.com/sites/kenrapoza/2017/04/17/chinas-best-and-brightest-leaving-u-s-universities-and-returning-home/#43d121751d41>

[18] The Comintern is an abbreviation of the Communist International,

<https://www.marxists.org/history/international/comintern/>

[19] For portentous or propaganda reasons, there are many articles that flaunt American nuclear primacy as an option with China. The Rand's study by Gompert, David C., Astrid Stuth Cevallos and Cristina L. Garafola entitled, *War with China: Thinking Through the Unthinkable*. Santa Monica, CA: RAND Corporation, 2016, https://www.rand.org/pubs/research_reports/RR1140.html, is one such example.

[20] Keck Z. (2015) "The Most Dangerous Nuclear Weapon in America's Arsenal", *The National Interest*,

<http://nationalinterest.org/blog/the-buzz/the-most-dangerous-nuclear-weapon-americas-arsenal-13433>

[21] In unusual criticism, Tillerson slams Russia's 'malicious tactics' ahead of trip to Europe. <http://www.latimes.com/nation/la-fg-tillerson-russia-20171128-story.html>

[22] Chossudovsky M (2017) Imagine What Would Happen if China Decided to Impose Economic Sanctions on the USA? *Global Research*, September 03, 2017

[23] Butler N (2017) Made in China – the world energy market of the future, *Financial Times*,

<https://www.ft.com/content/c1ddb6e1-b9df-39f9-bcd5-ee97989928b3>

[24] Avoiding war: Containment, Competition, and Cooperation in US-China Relations, Brookings,

https://www.brookings.edu/wp-content/uploads/2017/11/fp_20171121_china_interview.pdf

[25] Ai S. (1965) *Surreptitious Substitution of Theory of Reconciliation of Contradictions and Classes for Revolutionary Dialectics Must Not Be Permitted*, Beijing, Renmin Ribao,

<http://marxistphilosophy.org/aisuu.pdf>.

[26] The following article in the Arabic Al-Akhbar contains the WikiLeaks links to the current King opposing investigation into corruption: <http://www.al-akhbar.com/node/286474>

[27] Yemen war clouds raise dangers for top oil shipping route.

<https://www.reuters.com/article/us-mideast-crisis-yemen-shipping/yemen-war-clouds-raise-dangers-for-top-oil-shipping-route-idUSKBN0MM2JX20150326>

[28] For instance, the late Ali A. Saleh, the former president of Yemen, himself a Zaydi, was allied with the Saudis and between 2004 and 2011 bombed the Northern Houthi areas. Theologically, Zaydis are more a variant of Sunnism, quite different from Iranian Twelver Shiism. The people he had bombed were his allies against the Saudis, until few days before he re-switched sides again and died in

mysterious circumstances. The shifting sands of identities should not conceal the strategic objectives or imperialist or class politics.

The original source of this article is Global Research
Copyright © [Dr. Ali Kadri](#), Global Research, 2017

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Dr. Ali Kadri](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca