Why The Deep State Always Wins
The Zero-Sum Game of Perpetual War

By Bill Blunden, August 29, 2014 (www.belowgotham.com)

Readers with a morbid sense of curiosity can visit a web site called NukeMap that allows visitors to witness the devastation caused by nuclear weapons of varying yields on a city of their choosing\(^1\). Herman Kahn, who was an armchair theorist from RAND during the Cold War, insisted that nuclear war was winnable\(^2\). But a few hours with NukeMap will disprove Kahn’s folly and the baleful smiley face that he tried to slap over human extinction.

Against this backdrop it’s no wonder that recent developments in the Ukraine have been known to cause night terrors. Your author can vouch for this. Last week there was an earthquake in the Bay Area and at the outset I woke up mistaking it for a shock wave from sub-megaton warhead hitting Silicon Valley.

One could posit that what’s happening in Eastern Europe offers a look-see into the nature of the groups that are calling the shots in the United States. Do they care that their destabilization program in Ukraine provokes a nuclear-armed country or enables neo-Nazis to assume vital positions in government\(^3\)? So far almost 2,600 civilians have been killed in the ongoing humanitarian crisis\(^4\). While the corporate press does its best to create the impression of a “shining city upon a hill” which aims to “spread democracy” and conduct “humanitarian intervention\(^5\),” a different sort of world power is clearly visible to those who look carefully.

The appalling savagery of radical groups like the Islamic State of Iraq and Syria (ISIS) reflects the appalling savagery of American military incursions\(^6\). Or perhaps the collective consciousness of the United States has already forgotten over a hundred thousand dead Iraqi civilians\(^7\) and the long trail of drone induced “bug-splats\(^8\).” Ruthless men like Genghis Khan didn’t vanish into history books. Oh no, they’re still around. Some of them are right here in the good old U.S.A. It’s just that they’ve replaced scepters with hand-tailored suits and have traded thrones for seats on corporate boards.

**IGNORANCE IS STRENGTH**
Such men often go unnoticed because they tend to exercise power discreetly, standing behind a veil of propaganda\(^9\). For instance Pulitzer Prize-winning reporter Steve Coll has called ExxonMobil an “invisible company” thanks to a disciplined and well-funded public relations division\(^10\). This underscores the fact that the narratives put forth by the press are under the influence of an extensive subversion apparatus that CIA officer Frank Wisner referred to as the *Mighty Wurlitzer\(^11\). Powerful groups build consensus behind closed doors and then, as Chomsky
and Herman explain, coax the rest of society along by *manufacturing consent*\textsuperscript{12}. Thus enabling what’s known as democratic elitism.

Despite all the filtering that occurs, readers will still, occasionally, get a glimpse of politicians dutifully lining up to kiss the boots of plutocrats\textsuperscript{13}. Political leaders like Barack Obama and George W. Bush are merely hired help, useful lightning rods who draw our attention away from the men working the levers of power in Washington D.C.

Pluralists contend that we, the voters, own these levers. Published research says otherwise.

**Who Are Those Guys?**

So just who are the “deciders”? American philosopher John Dewey answered this question in one crisp sentence\textsuperscript{14}:

> “Politics is the shadow cast on society by big business.”

A number of sociologists have arrived at the same basic conclusion. For example, back in the 1950s a professor at Columbia named C. Wright Mills described national policy decisions as being forged by a small group of *power elite* who were bound together by shared class interests. The work of contemporary sociologists like G. William Domhoff\textsuperscript{15} and Peter Phillips\textsuperscript{16} further substantiate the conclusions of Mills.

It’s alleged that when Franklin D. Roosevelt was in office told labor activists “I agree with you, now go out and make me do it.” Which, if true, is a reminder that most politicians could care less about genuine social justice and are far more concerned about doing whatever it takes to stay in office.

A natural corollary of this is that lawmakers respond to those groups which are capable of rewarding and punishing them. This is in line with the *Investment Theory of Party Competition*, a model devised by political scientist Thomas Ferguson. Ferguson’s theory describes the political process as being dominated by corporate interests which coalesce into factions and compete to guide policy. A couple of researchers, Martin Gilens and Benjamin Page, have published a paper that offers quantitative validation of Ferguson’s model concluding that\textsuperscript{17}:

> “Multivariate analysis indicates that economic elites and organized groups representing business interests have substantial independent impacts on U.S. government policy, while average citizens and mass-based interest groups have little or no independent influence.”
Note the mention of “organized groups” in the previous excerpt. Although political mobilization is typically associated with unions and social movements, Jacob Hacker and Paul Pierson explain in their book *Winner Take All Politics* that corporations have used similar collective strategies to coordinate their efforts and instrument policy changes. The media likes to portray political contests as one individual versus another (as American culture is rooted in the myth of rugged individualism) but it’s more accurate to view political struggle as a form of conflict between organizations. A billionaire like George Soros isn’t just a lone citizen, he represents a small army of people.

Let’s take a look at some of these corporate sets.

**Corporate Emperors: The Banks**

The late Michael Ruppert once stated that “The CIA is Wall Street. Wall Street is the CIA.” There’s definitely something to this as the figures responsible for creating the CIA, men like Allen Dulles and John Foster Dulles, were heavily linked to Wall Street. This is only logical as the global nature of espionage during World War II required people who were steeped in the nuances of international law and trade. Both Allen and John Foster were partners in Sullivan and Cromwell, a Wall Street law firm that remains one of the most profitable legal practices in the world.

Is it any surprise that both subcultures—spies and bankers—exhibit indications of being above the law? For example, the Director of National Intelligence James Clapper perjured himself on camera with little or no fallout. The Director of the CIA outright lied about monitoring the Senate Intelligence Committee and in return received the full backing of POTUS.

Spies by virtue of their work break laws in other countries on a regular basis. Some intelligence officers become rather adept at it. It would be naïve to think that agencies like the CIA, answering only to the President and shielded by official secrecy, might be tempted to take shortcuts with the legal system here in the United States. Journalist Gary Webb, who investigated the CIA’s connection to drug smuggling, arrived at this conclusion. He committed suicide by shooting himself in the head. Twice.

Likewise Bank of America was recently fined over $16 billion for mortgage fraud and the company’s stock price jumped 4 percent. The CEO of JPMorgan presided over various scams that resulted in $20 billion worth of fines and, for his trouble, he was awarded a 74 percent raise. No one outside of a few sacrificial lambs like Bernie Madoff is serving jail time. Hunter S. Thompson disciple Matt Taibbi points out the obvious: rule of law has broken down:

“In the case of a company like HSBC, which admitted to laundering $850 million for a pair of Central and South American drug cartels, somebody has to go to jail.
in that case. If you’re going to put people in jail for having a joint in their pocket or for slinging dime bags on the corner in a city street, you cannot let people who laundered $800 million for the worst drug offenders in the world walk.”

In addition to their role in the origins of U.S. intelligence, large financial institutions maintain a special position in the power structure because they’re the primary architects of the West’s economic model, driven by an ideological vision of open markets and accessible resources. As custodians of the world’s reserve currency they work diligently to realize this vision. Bankers have demonstrated the ability to shape history and spur military engagement. When push comes to shove, as we saw during the 2008 financial crisis, they can hold entire economies hostage.

This isn’t necessarily surprising given the amount of assets that they have at their disposal. For instance, Richard Fisher of the Dallas Federal Reserve Bank has reported that 12 American megabanks control something on the order of 70% of the American banking industry’s assets. Or consider the investment management company BlackRock which holds over $3 trillion in assets. This figure is on par with the 2013 U.S. Federal Budget.

**Corporate Emperors: Other Sectors**

Rivaling the banks are the fossil fuel companies. For example oil monolith ExxonMobil, a corporate descendant of John D. Rockefeller’s Standard Oil, brings in annual revenue on the order of half a trillion dollars. Thus making ExxonMobil roughly as big as the economy of Poland.

Over the past two decades the company has spent more than $200 million lobbying on the D.C. beltway. Modern society runs on oil and this translates into a mountain of money and a comparable level of influence. Like the bankers, the executives of the fossil fuel industry has the resources to reward those politicians who attend to their needs.

Finally there’s the defense industry and its hi-tech offshoots. This is a sector of the economy that has held sway since the end of World War II, when Charles Wilson, then the president of General Electric, promoted the idea of a permanent war economy. Not only does the defense industry arm and equip the most powerful military on the planet, whose budget for 2014 is over $500 billion, but it also dominates the international arms market. In 2012 the New York Times reported that United States weapons exports were more than 75% of the global market.

Defense companies in the United States sell heavy weaponry to repressive governments in Saudi Arabia, Egypt, and Israel. Business is thriving, enough so that taken in aggregate
defense contractors like Boeing, General Dynamics, Lockheed Martin, Northrop Grumman, and Raytheon form a prevalent lobbying force in Washington.

Think of it this way, these are businesses that manufacture the weapons which can level cities. Defense companies are intimately connected to people who wield such weapons both in the government and in the mercenary outfits of the private sector. The defense industry embodies the primeval archetype of unencumbered raw violence, the tip of the imperial spear, the military-industrial complex that Eisenhower warned us about as he left office. No one crosses these executives, not even allegedly progressive political candidates who promise “change.”

**An Elite Backdoor: The Deep State**

How is it that influential corporate factions, with no constitutional authority whatsoever, are able to exercise state power? Congressional staff member Mike Lofgren claims that the corporate elite go through a *Deep State*[^40]. An extension of the visible state that resides below the surface of the body politic.

The *derin devlet*, or “deep state”, was a term coined in Turkey to describe a shadow government that existed as an outgrowth of covert operations launched during World War II. It consisted of government officials, spies, and organized crime elements[^41]. The Turkish Deep State served as a means to quash countervailing power centers that threatened the established secular order.

The ongoing instability in Egypt has also revealed the presence of a deep state in that country[^42]. Powerful interests anchored in the nation’s military and security services have aggressively attacked anyone and anything that represents a threat, as a court ruling which sentenced hundreds of people to execution for the death of a single police officer demonstrates[^43].

Like Turkey and Egypt, Ukraine also has a deep state. The *New York Times* describes it as being choreographed by a league of oligarchs[^44]:

> “The ultra-wealthy industrialists wield such power in Ukraine that they form what amounts to a shadow government, with empires of steel and coal, telecoms and media, and armies of workers.”

It’s interesting that although the *New York Times* openly refers to oligarchs in Ukraine in its headlines, the editors are far more demure in terms of how they refer to the ruling class here in the United States.

The American Deep State, or what Colonel Fletcher Prouty called the *Secret Team*, is a structural layer of political intermediaries: non-governmental organizations (e.g. National
Endowment for Democracy, Ford Foundation), lobbyists (e.g. Chamber of Commerce, AIPAC), media outlets (e.g. Time Warner, News Corp), dark money pits (e.g. Freedom Partners, NRA), and private sector contractors (e.g. Booz Allen, SAIC) that interface with official government organs (CIA, Department of Defense)\textsuperscript{45}. This layer establishes a series of informal, often secret, backchannels and revolving doors through which profound sources of wealth and power outside of government can purchase influence.

As in Turkey, Egypt, and Ukraine, the American Deep State is a fundamentally anti-democratic apparatus that caters to the agenda of heavily entrenched elites. CIA Officer John Stockwell explains what ties the Deep State together\textsuperscript{46}:

“The CIA and the big corporations were, in my experience, in step with each other. Later I realized that they may argue about details of strategy - a small war here or there. However, both are vigorously committed to supporting the system. Corporate leaders fight amongst themselves like people in any human endeavor. They raid and hostilely take over each other’s companies. Losers have been known to commit suicide. However, they firmly believe in the capitalist system”

**WAR IS PEACE**

Looking back at the past two decades, U.S. intervention in the Middle East has failed to “spread democracy” or win the “war on terror.” It has only succeeded in creating more instability, more conflict, and more enemies\textsuperscript{47}. After spending $25 billion to equip and train Iraqi security forces\textsuperscript{48}, our military ends up bombing its own equipment\textsuperscript{49} to fend off CIA-armed jihadist forces\textsuperscript{50} in anticipation of providing even more military aid to the Kurds\textsuperscript{51}.

One thing is certain: the Middle East is awash with armaments supplied by the United States.

There are those who would argue that this incongruous state of affairs is intentional, that stated claims about WMDs and nurturing democracy are a mere pretext for a more ominous stratagem. More than a decade ago John Stockwell presciently pointed out an unsettling logic, an instance of Hegelian Dialectic where the ruling class creates its own enemies to feed off of the ensuing carnage\textsuperscript{52}:

“Enemies are necessary for the wheels of the U.S. military machine to turn. If the world were peaceful, we would never put up with this kind of ruinous expenditure on arms at the cost of our own lives. This is where the thousands of CIA destabilizations begin to make a macabre kind of economic sense. They function to kill people who never were our enemies-that’s not the problem-but to leave behind, for each one of the dead, perhaps five loved ones who are now traumatically conditioned to violence and hostility toward the United States. This
insures that the world will continue to be a violent place, populates with contras and Cuban exiles and armies in Southeast Asia, justifying the endless, profitable production of arms to ‘defend’ ourselves in such a violent world”

The defense industry thrives from regional conflicts like this, a constant stream of flash points in America’s self-perpetuating campaign to eradicate terrorism. The cost for the U.S. military campaigns in Iraq, Afghanistan, and Pakistan reaches into trillions of dollars and much of that funding ends up covering military expenses. About a year ago, back when President Obama announced he was thinking about bombing the Assad regime, Raytheon’s stock jumped.

And the defense executives aren’t alone, the fossil fuel industry also extracts its pound of flesh. It’s the failed state model for neocolonialism. Non-nuclear countries that have been ravaged by war are more susceptible to opening their doors and yielding nationalized resources on behalf of corporate pressure. Before the United States invaded Iraq its oil wells weren’t accessible to outside firms. After the invasion Western oil interests like Shell, BP, and ExxonMobil have all gained entry to one of the world’s largest sources of oil. In March of 2014, the Wall Street Journal reported that Iraq’s oil output was at its highest point in more than 30 years.

SLAVERY IS FREEDOM

As perennial conflict abroad is leveraged as a tool of empire, at home it leads to repression. The late Chalmers Johnson, who studied this phenomenon as a professor at UC San Diego, characterized this with the adage “Either give up your empire, or live under it.”

With the public exposure of the NSA’s global surveillance apparatus there are intimations that this process is already underway. In 2005 there were revelations of warrantless wiretapping under President George W. Bush, a story that the New York Times sat on for months. Then a slew of NSA whistleblowers like Russell Tice, Thomas Drake and William Binney publicly came forward with allegations that the NSA’s monitoring programs were unconstitutional. And in May of 2013 the other shoe dropped when a Booz Allen contractor named Ed Snowden handed over a large set of classified documents to journalists in Hong Kong.

The purpose of the NSA’s panopticon is to further the interests of the corporate elite. In an open letter to Brazil Ed Snowden clearly states as much:

“These programs were never about terrorism: they’re about economic spying, social control, and diplomatic manipulation. They’re about power.”

Yet it’s important to keep in mind that the origins of the emerging police state can be traced much farther back. For example, in the late 1960s the Department of Defense conceived Civil
Disturbance Plan 55-2, code named *Operation Garden Plot*, which included “plans to undercut riots and demonstrations” using “information gathered through political espionage and informants.”

In 1971 an instructor for the U.S. Army, a man named Christopher Pyle, revealed that the military had been tracking civilian political activists and demonstrations for several years. A few years later in 1974 Seymour Hersh, writing for the *New York Times*, exposed a CIA program called CHAOS (aka MCHAOS) which targeted antiwar activists in the United States.

Though the trend of militarization is hard to dismiss, how exactly does military action overseas incite civilian persecution within our borders? George Orwell in his timeless book *1984* provides a succinct explanation:

> “War is a way of shattering to pieces, or pouring into the stratosphere, or sinking in the depths of the sea, materials which might otherwise be used to make the masses too comfortable, and hence, in the long run, too intelligent.”

American society cannot endure perpetual war and maintain a healthy middle class. Especially when plutocrats and executives do everything in their power to avoid paying taxes. The decree of maximizing profit requires them to extract value from the commons and then fail to offer anything in return, to the tune of trillions of dollars a year. Hence the burden of supporting an endless series of bloody military campaigns falls on the rest of us.

So while the public eye is distracted with military shock and awe overseas the middle class fails to grasp its inevitable decline. A captive state strips away civil liberties, divests in social programs, infrastructure, education, and anything else that might help normal people cope as wages stagnate and jobs go offshore. Resources that could be devoted to sustaining and growing the middle class are diverted to the extractive Deep State. The masters of mankind, as Adam Smith referred to them in *The Wealth of Nations*, witness record profits.

**Denouement**

By the end of World War II the United States had replaced Britain as global hegemon. Over the course of the Cold War the one countervailing world power that represented an alternative ideology, the Soviet Union, dissolved. Since German unification NATO has gradually expanded into former Soviet territory (Hungary, Poland, Bulgaria, Estonia, Latvia, Romania, etc.) despite explicit verbal guarantees to Mikhail Gorbachev that it would not. And now the plutocrats standing behind Victoria Nuland want Ukraine. Never mind that Ukraine is a border country which Russian leadership views as vital to their national security.
In 2006 journalist John Pilger spoke with Duane “Dewey” Clarridge, a CIA officer who supervised agency operations in Latin America back in the 1980s. Pilger queried Clarridge as to what gave the CIA the right to overthrow foreign governments, Clarridge responded:

“Like it or lump it, we’ll do what we like. So just get used to it, world.”

There you have it. When they want something they take it. Native Americans can attest to the veracity of this statement. This, dear readers, is the mindset of the ruling class, the true face of empire. Blind ambitious of this sort has always existed. Only now the CIA is up against an adversary that is just as skilled and just as heavily armed (a scenario, by the way, which past U.S. leaders have studiously avoided). Late at night in some far corner of the Pentagon the ghost of Herman Kahn chuckles.

End Notes

1 http://www.nuclearsecrecy.com/nukemap/


8 http://www.thebureauinvestigates.com/category/projects/drones/drones-graphs/


http://www.sec.gov/Archives/edgar/data/34088/000003408814000012/xom10k2013.htm


55 Antonia Juhasz, “Why the war in Iraq was fought for Big Oil,” *CNN*, April 15, 2013, edition.cnn.com/2013/03/19/opinion/iraq-war-oil-juhasz/index.html


64 https://edwardsnowden.com/revelations/


