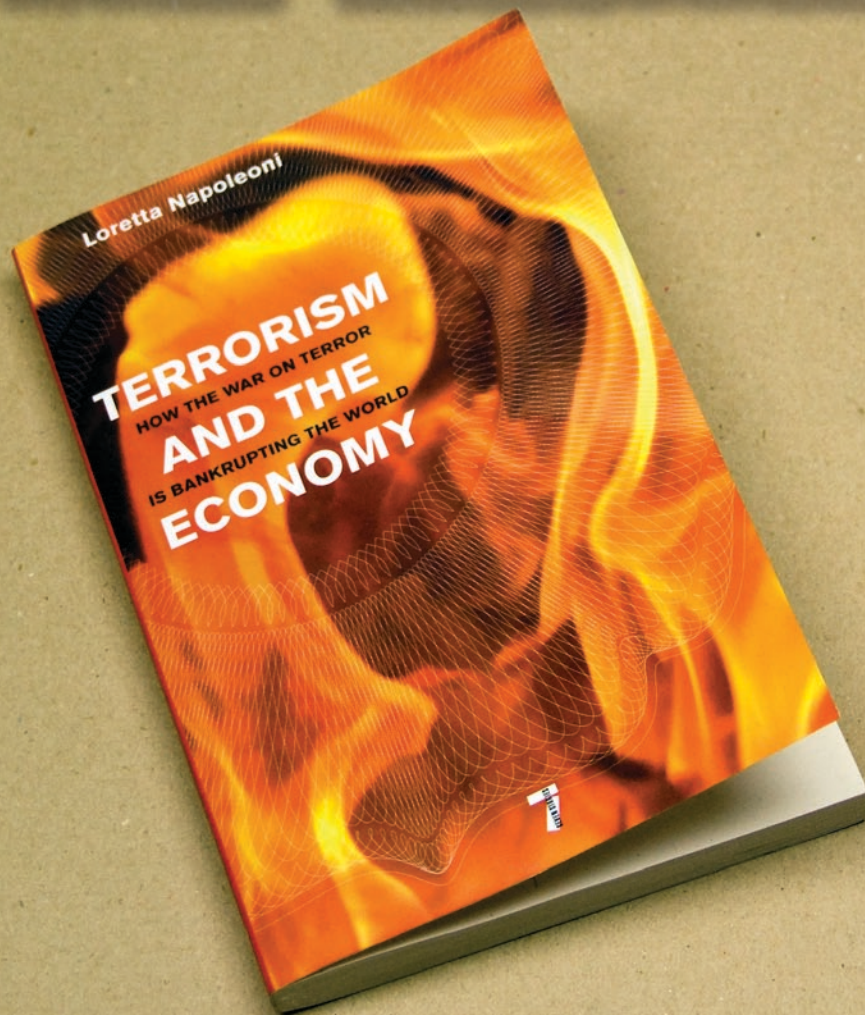


# THE POLITICS OF FEAR



An excerpt from

**TERRORISM AND THE ECONOMY:**  
HOW THE WAR ON TERROR IS BANKRUPTING THE WORLD

By **Loretta Napoleoni**



**LORETTA NAPOLEONI** is the author of the bestselling book **Rogue Economy: Capitalism's New Reality**, which has been translated into 14 languages; and **Terror Incorporated: Tracing The Dollars Behind The Terror Networks**, translated into 12 languages. One of the world's leading experts on money laundering and terror financing, she has worked as a London correspondent and columnist for *La Stampa*, *La Repubblica* and *Le Monde*. This excerpt is Chapter 10 of her new book, **Terrorism and the Economy: How the War on Terror is bankrupting the World**

ISBN 978-0-00-724196-5

Seven Stories Press \$13.99 (US)

© Loretta Napoleoni, 2010

**ColdType**

WRITING WORTH READING FROM AROUND THE WORLD

[www.coldtype.net](http://www.coldtype.net)



# THE POLITICS OF FEAR

An excerpt from

## **TERRORISM AND THE ECONOMY: HOW THE WAR ON TERROR IS BANKRUPTING THE WORLD**

By **Loretta Napoleoni**



he credit crunch is the latest chapter in the sad story of contemporary capitalism, a tale characterized by the arrogance and simplemindedness of its main protagonists, which became apparent while the entire world was concentrated on the threat posed by al-Qaeda. It seems absurd that an economic system powerful enough to cause revolutions and fratricidal wars, which has inspired whole generations and given life to one of the most potent ideologies of modern times, has disintegrated before our eyes because of the lies of its leaders and the lack of sophistication of its captains. The “Masters of the Universe” are really simpletons, people who have undermined the world economy for the sake of easy profits, thereby destroying the very system that supported them without even being aware of what they were doing. The politicians, too, are simpletons, making us believe that al-Qaeda was able to crush our world in order to pursue its hidden agenda when, in reality, those who were destroying it were prospering within it.

The financial sector that brought us to the credit crunch cannot, however, be defined as capitalism; Marx would be quick to point this out. It is rather a mix of political magicians, Monopoly players, and swindlers. True, authentic capitalism – that of the Industrial Revolution and the early 1900s – was an adversary worthy of respect, which exploited but neither stole nor swindled. It was also a shrewd and intelligent rival. This is the fundamental difference with the past: today those made rich by globalization are either thieves or simpletons.

However, we citizens of the global village, upon whom falls the tragic consequences of this crisis, also have behaved with arrogance and a lack of common sense. We have allowed the politicians to convince us to overextend ourselves in order to realize all our consumerist dreams: the house, the car, the vacations, the branded clothes and accessories, the high-tech gadgets, and more. This spending frenzy led us to believe that we were rich and powerful when, in reality, high finance was sucking our accounts dry and leaving us ever poorer. We acclaimed those who sold us these fantasies, the first and foremost of which was the fear of fundamentalist Islamic terrorism. How can we forget the popularity indices of Bush, Blair, José Maria Aznar, and Silvio Berlusconi when they incited the world to bomb Baghdad? Terrorized by the thought of losing our “place in the sun,” we permitted the politics of fear to replace real politics and the act of governance to become a media event. We shouldn’t be surprised when today we are called upon to pay the consequences.

## THE ANATOMY OF THE COLD WAR

The world we live in is a labyrinth of fantasy, and politicians are the twenty-first century’s great magicians, who sell fear and fabricate the truth. Among their greatest



**Politicians have always used a strategy of fear to achieve their goals and often have done so in a fashion very similar to that used by armed groups seeking to terrorize the population. Propaganda is the name of the game**

performances are Saddam Hussein’s weapons of mass destruction (WMDs) and Iraq’s professed ability to launch a nuclear warhead that could strike Europe in forty-five minutes.

Political lies are incredibly potent, all the more so because these illusions seem to be more easily digested. The initial broad consensus in the West regarding the invasion of Iraq stemmed from the *a priori* certainty that what politicians tell us is the truth. It is this very point that requires analysis in order to properly understand why we ended up in this economic quagmire and, above all, how we can extricate ourselves.

In the case of Iraq, it seemed remarkable that so few felt compelled to pose some serious questions. First, if Saddam really had WMDs that could actually strike London, Paris, or Brussels within forty-five minutes, why was it that the spy satellites, which buzz around the planet like wasps, could not photograph them? Why had no one been able to provide the slightest shred of evidence to incontrovertibly support this alarming allegation? Moreover, if Saddam really had those weapons, why didn’t he use them when he was attacked?

These are the questions that so few asked at the time. We all fell into the fantastical trap of the 007-style underground launch pads and the tanks laden with chemical weapons perpetually cruising the Iraqi highways. When it finally became clear that everybody had lied to us, we didn’t have the courage to call to task the politicians who had sold us this pack of lies.

Politicians have always used a strategy of fear to achieve their goals and often have done so in a fashion very similar to that used by armed groups seeking to terrorize the population. Propaganda is the name of the game. Far from being a new phenomenon, the politics of fear is a traditional and highly effective instrument for gaining con-

## THE POLITICS OF FEAR

sensus, especially in the face of unpopular choices. Out of fear, we accepted as fact a series of unsubstantiated lies. Governments manipulated the apprehensiveness of their citizens in order to achieve their own political aims. We should not feel singled out by history. This is certainly not the first time that politicians have manipulated public opinion. During the cold war, the United States built a nightmarish doomsday scenario around the specter of a potential victory by the Soviet enemy. This threat became the reference point upon which they leveraged a strategy of fear, a propaganda of fear that the US subsequently exported to Europe. The Americans do it, and so do their adversaries. Within the Communist Bloc, the Soviet Union carried out a similar operation to maintain the status quo and safeguard its own survival, painting an image of the United States as a sinister power that would not hesitate to unleash another atomic bomb, thereby decimating hundreds of thousands of Russians and Eastern Europeans.

In reality, neither of the two superpowers had the slightest intention of using nuclear arms. The truth is that proliferation proved to be the best guarantee against nuclear tragedy. Confirmation of this can be seen in the way the two most serious nuclear crises of the postwar period – the tension leading to the erection of the Berlin Wall and the Cuban missile crisis – played themselves out. In both cases, the USA and the USSR used the impending nuclear menace as a means for consolidating their own spheres of influence, while taking great care to keep an appropriate distance from one another. The version sold to the general public is not this chronicle of a strategic battle carried out by cunning political chess players but rather the dramatic and anguished recounting of an event on the verge of the apocalypse.

The propaganda of fear has always been



**During the cold war, the United States built a nightmarish doomsday scenario around the specter of a potential victory by the Soviet enemy. This threat became the reference point upon which they leveraged a strategy of fear, a propaganda of fear that the US subsequently exported to Europe**

easily disseminated. Before the advent of the Internet, it traveled on the wings of documentaries and television spots – more basic and less widespread, but nonetheless more penetrating than the more ubiquitous Internet propaganda of today. During the 1960s, children watched short films produced by the US government, in particular by the Federal Civil Defense Administration, in which Bert the Turtle, a lively animated character, warned them that an atomic explosion could occur at any time without warning. “When you see the flash,” said Bert with a sinister laugh, “you should duck down and find cover under the desk or in the school hallway.” While Bert the Turtle pulled his head into his shell, the narrator’s voice warned: “After the bomb explodes there might no longer be any adults around. Then you’ll have to fend for yourselves.” Politicians manufactured this equally scary nightmare for the youngest citizens, who would grow into adulthood with the constant perception of an enemy who, from one moment to the next, could turn their universe into dust.

Through the media, key political figures contributed to the spread of fear of a nuclear attack, especially in critical moments of heightened tension. In July 1961, during the Berlin Wall crisis, President John F. Kennedy gave a televised speech exhorting American families to build bomb shelters to “protect the nation.” White House advertising was obviously employed skillfully in the marketing of these products; everyone rushed to buy their own bunker. In Prince George’s County, Maryland, people did their “nuclear shopping” – already quite an unsettling activity – while listening to a male voice over the loudspeaker, exclaiming against a background of bombing and air-raid sirens: “My wife, my children . . . if I had only listened to the Civil Defense . . . now I’d be in the shelter.” Sales grew expo-

nentially. Among the pillars of the cold war one finds fear of a nuclear attack, just as the fear of a terrorist nuclear attack became the leitmotif of Bush's war on terror. Right after 9/11, Washington dusted off the potent and terrifying image of the atomic mushroom cloud rising over a Western city. Not coincidentally, the most common motivation used to justify the war in Iraq rested on the danger posed by weapons of mass destruction. History tends to repeat itself even in its least virtuous chapters. Just as before, this fear is based on false information. The politicians know it; we don't.

Only now do we have at our disposal the information confirming that Saddam Hussein no longer had weapons of mass destruction, much less the intention to sell them to al-Qaeda. The Iraqi president pretended to possess a nuclear program, partly to support his megalomaniac propaganda machine and partly to scare off Iran. In his distorted vision, he believed he could keep his enemies at bay with these lies.

If it is indeed true that the CIA, the Pentagon, and the European secret services did not know his strategy, then one should wonder whether these organizations are at all capable of doing their work. Many people have their doubts, although few have the courage to admit it. And still fewer people ask themselves another question: is it true that even in the absence of Saddam Hussein a nuclear attack by some armed group is still possible? The politicians and the media would have us believe that the answer is yes. In 2006, when it became apparent that Saddam did not have nuclear weapons, Peter Zimmermann and Jeffrey Lewis wrote – in “The Bomb in the Backyard,” an article published in the journal *Foreign Policy*, complete with a hypothetical model of a clandestine nuclear complex – that bin Laden could have attacked the US with an atomic bomb built secretly in a



**If it is indeed true that the CIA, the Pentagon, and the European secret services did not know his strategy, then one should wonder whether these organizations are at all capable of doing their work**

mini complex in the style of Los Alamos in the United States. No one questioned this absurd scenario! Any nuclear technology expert could have done so. It would have sufficed to mention just one obstacle: even supposing that the terrorists had been able to get their hands on the uranium and plutonium required to produce the bomb, they would have needed to be enriched to bomb grade, an operation alone that would have required energy sufficient to black out the entire northeastern United States.

We need to ask ourselves these questions: why do the media continue to transmit apocalyptic messages, and why do we continue to believe them? Perhaps that is the same explanation for why there was no questioning or doubting of the chilling declarations by politicians in the aftermath of 9/11. Though the media's and the politicians' common interests in the construction of catastrophic scenarios rest on the fact that what frightens us also draws our attention, clearly increasing media audiences and newspaper sales, what is harder to explain is the public's lack of skepticism. Why did we believe everything we were told? Why did so few ask why, if it was so easy to get hold of nuclear weapons, has not one terrorist done it yet?

## **THE DANGER BEHIND THE FEAR OF TERRORISM**

The illusions created to terrorize us don't end here. Even the belief that Westerners are more exposed than ever to the risk of terrorism relies on a series of falsehoods: data demonstrate that, in the West, the armed struggle reached its apex in the late 1970s and early '80s and has been in decline ever since. Even taking into account 9/11, Westerners have a higher risk of being hit by lightning than of dying in a terrorist attack. In the Muslim world, we find a different scenario. Since 9/11, violence has risen.

## THE POLITICS OF FEAR

MIPT-RAND, considered the most reliable data bank on terrorism, confirms that the number of attacks in the region defined as the Middle East/Persian Gulf rose from fifty prior to 9/11 to 4,800 in the year 2006. In the same period, deaths from terrorism in the region soared from less than a hundred to 9,800.

Therefore, the real primary victim of terrorism is the Muslim world, that which we believe poses a threat, the world the Crusades destroyed. The invasion of Iraq marks an important watershed because, instead of slowing terrorist activity in the region, the invasion fed it. “The Iraq Effect” – a study of the consequences of the war, published in 2006 in Mother Jones magazine – shows that since the official beginning of the war in 2003, the incidence of terrorist attacks and the average level of consequent deaths on a global scale increased by 607 and 237 percent respectively.

Therefore, death at the hands of terrorists is always found more in areas far from the West, and in Iraq the death toll has reached shocking levels. According to the respected British medical journal the Lancet, in the first two years of the war over 100,000 perished – more than the combined worldwide total of victims of terrorism during the entire twentieth century.

It is perhaps worthwhile to stop for a moment to analyze the intellectual arrogance and indifference of Westerners when it comes to the tragedy befalling certain Muslim countries. Few of us are concerned about what happens outside the confines of our own worlds. Why should we be surprised? These have been years of great plenty, of a collective inebriation during which we have passed the time spending money we didn't have while all around us wars were raging. Now that the money has run out, we have become forcibly aware of our mistakes. In the global village, we no longer have the



**It is perhaps worthwhile to stop for a moment to analyze the intellectual arrogance and indifference of Westerners when it comes to the tragedy befalling certain Muslim countries. Few of us are concerned about what happens outside the confines of our own worlds. Why should we be surprised?**

luxury of ignoring anything because we are all part of the same economy.

Herein lies the deep contradiction of modern politics: these are leaders who, on one hand, frighten us to death and who, on the other hand, sell us the ephemeral illusion of a wealth that does not exist, exhorting us to spend and enjoy what we do not possess.

What if the lack of critical thought with which we accepted the post-9/11 multiple apocalyptic scenarios – what if the real root of our fear – is not the fear of dying in a terrorist attack but rather the idea of losing our comfort, our well-being, the wealth accumulated since the fall of the Berlin Wall? This is an uncomfortable question we should ask ourselves.

The fact remains, however, that we are scared and that Westerners feel more exposed to the risks of terrorism today than in the past. How can one still be shocked when one has viewed history's most devastating and globally unifying reality show? Watching the destruction of the twin towers on live TV profoundly damaged our subconscious. Thanks to CNN and other networks that brought the tragedy in real time to the four corners of the globe, the fear became immediate, shared, and planetary. From Beijing to São Paulo, from Rome to Reykjavik, we all felt personally involved.

Even though nobody could deny that those distressing images forced us to confront the tragic consequences of terrorism, it is equally true that the media emphasis and manipulation of the events have so shaken our sensitivities as to cause us to internalize the fear of terrorism, transforming an exceptional and extraordinary event into a daily anxiety.

Once more, let us try to stop, take a deep breath, recover our rationality, and ask ourselves: What are we really scared of? Of dying like the victims of 9/11 or of losing,



at the hands of this frightening enemy, the primacy that we have maintained over the world for centuries? What scares us more: the spectacular terrorist act or the rhetoric of the clash of civilizations?

If our sincere response is adherence to Samuel Huntington's theory of the clash of civilizations, then the political magicians have done a good job and we are doubly naïve; the events of the last eight years confirm it. This is exactly what we have been trying to understand from the beginning of this book. The destruction of the primacy of the richest economies has not come at the hands of Osama bin Laden but rather as a result of our ignorance, our superficiality, our greed – traits we share with globalized finance – and, of course, the arrogance of those who govern us.

So here, in sum, is how we ended up in this trap: For the average inhabitant of the global village, the internalization of terrorism took place when it ceased to be regarded as a crime and became a form of total war against one's way of life. The conflict, not the exceptional criminal event, puts one's life at risk. There is nothing as terrifying as war, and nothing frightens us more than an adversary who looks different from us.

After 9/11, the absurd theory of the clash of civilizations reinvoked memories of the racial violence of the Holocaust. This time the enemy is Muslim but the objective is still genocide. We hear again the most terrifying mantra of all: they hate us because we are not like them. Difference, not politics, is the main source of fear generated by Islamic terrorism.

With great skill, politicians and the media built a politics of fear around this psychosis, presenting al-Qaeda as the new Nazi movement and Osama bin Laden as the reincarnation of Adolf Hitler. This was enough to convince the population that the survival of Western culture was again at risk.



**We hear again the most terrifying mantra of all: they hate us because we are not like them. Difference, not politics, is the main source of fear generated by Islamic terrorism**

And all this while the ones who were really chipping away, destroying piece by piece our world and our well-being, were neither living in the tribal regions of Pakistan nor were dressed in rags, but rather were living on Wall Street and in the city of London. Wearing bespoke pin-striped suits and flying in their private jets, the destroyers of modern capitalism were flattered by the politicians and acclaimed by the media.

## THE INDUSTRY OF TERRORISM

Another unsettling reality to emerge from this situation is that we know so little about what has really happened. No one has tried to tell us that, before 9/11, al-Qaeda was a little organization rife with internal fighting, completely absent from the West and its message unknown to the world. Why has it been hidden from us that the majority of its members did not share the racial and religious hatred bin Laden felt toward America? Constructing a series of lies and dressing them up with a mythology of terrorism has been relatively easy because, until 9/11, this phenomenon had been practically unknown. Until that moment, a bibliographic search of the term “terrorism” would have turned up a mere handful of titles, essays, and articles; today, there are thousands.

Until 2001, the international community of experts on terrorism was very small and the academic community smaller still; no university offered any degree courses on this topic. Overall, there were but a handful of private security agencies handling the phenomenon. In the US, for example, there were only five, while today there are more than 40,000.

The politics of fear has been good business for those in a position to take economic advantage of its spread. The industry of fear, fed and maintained by new apocalyptic stories, was quick to prosper. But we must not forget the accomplices of the political



## THE POLITICS OF FEAR

classes: the ranks of experts, consultants, professors, and, alas, even charlatans, who have supplied the fuel to create a gigantic bonfire.

The Internet has shown itself to be the principal means of propaganda. There are thousands of consulting companies that exist solely online. After 9/11, with expert groups at conferences, academics, contractors, newspapers, blogs, terrorist websites, and more offering information on what there is to know and do to prevent terrorist attacks, online services became the heart of a flourishing sector. Terrorism experts, sprouting like mushrooms after a rain, confirmed the gloomiest declarations of the leaders and the apocalyptic scenarios painted on TV and radio, manipulating data to provide proof of the strengthening of armed organizations and publishing reports online.



**The politicians altered the facts, uttering inflated truths and sometimes out and out lies. The media broadcasted them.**

The statistics and false information satisfied the media's unquenchable thirst for "frightening news." The politicians altered the facts, uttering inflated truths and sometimes out and out lies. The media broadcast them. We got upset, starting to fear anyone who had features, dress, and customs different from ours. Yet it never occurred to us to pay attention to what was happening on Wall Street, where it was said that they were making money by the bucket load. On the contrary, we did everything we could to scrape up a few crumbs ourselves from that treasure trove, and it never entered our minds that it was there that our peace and our system of values were suffering the most threatening attack. The likelihood that bin Laden will destroy us is extremely low; the likelihood that finance will do so is, on the other hand, extremely high, a virtual certainty

# **WRITING WORTH READING FROM AROUND THE WORLD**

**ColdType**

[www.coldtype.net](http://www.coldtype.net)