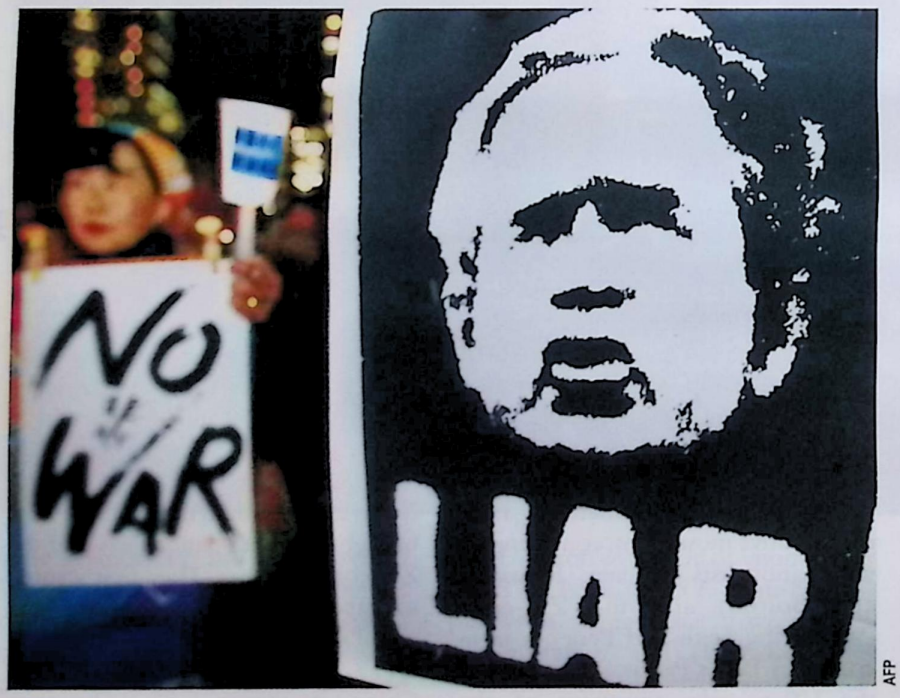
neo-cons would build later on. The neo-cons were back in the saddle with the election of George W. Bush in 2000. They waited for the right time to unleash their wars in the Middle East. The events of 9/11 arrived as their Pearl Harbor. The Americans could now be bamboozled to support the neo-cons' dreams of creating a global and everlasting American Empire.

For the periphery, the world looked quite bleak in the 1990s. Having lost the leverage of Soviet Union, most regions of the periphery capitulated to the blackmail of IMF, the World Bank and the WTO. Those who resisted -- or refused to make "peace" with Israel -- were blacklisted as rogue states. The communist economies in the former Soviet Union and Eastern Europe suffered melt-down; their living standards and life expectancy plummeted. The development regimes in the Third World were dismantled, exposing them to the ravages of global financial manipulation. In 1997, even the "miracle economies" of Southeast Asia were laid low by Wall Street and the IMF.

In the aftermath of 9/11, matters appeared to get worse in the periphery. Under the pretense of waging "war against global terrorism," the neo-cons launched their plan for establishing global dominance. Overnight, following the lead established by Israel, the US defined all resistance to American hegemony as terrorism. It was now licensed to carry its preventive wars to all corners of the globe. It also licensed regional powers and local despots to expand their violation of human rights under the cover of the "war against global terrorism."

In the weeks after April 9, 2003, when US troops captured Baghdad, it appeared that the United States was on a roll. Iran, Syria, and North Korea could count the days to their own quick demise. Israel was getting ready to complete its ethnic cleansing of all Palestinians. Pakistan would be asked to liquidate its nuclear arsenal, or prepare to be bombed back to the stone age. In time, Egypt and Saudi Arabia would be dismembered into smaller client states. At some point in this sequence, the oil resources of the region would be privatized and sold for a song to US oil corporations. Finally, with a firm American grip on the Middle Eastern oil spigot, Europe, Japan and China would take their humble stations under the shadow of American hegemony.



AFP

In the weeks after launching their war against Iraq, the neo-cons began to imagine that the world was their's for the taking; the new American century had begun. Yet, how their plans have gone awry. All because a few thousand damned Iraqis decided to rob the Americans of the richly-deserved fruits of victory.

A sea change has been unfolding since April 2003, though it is not going in the directions projected by the neo-cons. More than three years after the invasion of Iraq, the Americans are deeply troubled by the war they are losing in Iraq. While the 9/11 attacks failed to energize the Arab street, the Americans who entered Iraq were immobilized in the streets of Baghdad, Falluja, Najaf, Ramadi, Basra and Kut. This is an earth-shaking event, all of whose consequences have yet to unfold.

Instead of falling victims to US-sponsored regime change, the Iranians are now stronger than they have ever been in their recent history. For the first time in centuries their influence extends deep into Iraq and Afghanistan, where they now possess the ability to ramp up the costs of the US occupation. In addition, Iran has positioned a battery of missiles that can close down shipping in the Gulf, threaten oil installations in the Sheikhdoms, and strike inside Israel. Due in part to its own hubris, the US has dramatically reduced its options in the Middle East.

In July 2006, Israel made a bid to weaken Iran and Syria by destroying Hizbullah and starting a civil war in Lebanon. The gambit failed on both counts. Hizbullah was hardly scratched. Unlike three Arab armies in June 1967, Hizbullah responded by disrupting life in northern Israel, destroying more than 40 Israeli tanks, and poking holes in Israeli intelligence gathering. Most importantly, by choosing to fight, the few thousand Hizbullah fighters destroyed the myth of Israeli invincibility.

Together, these developments have seriously exposed the vulnerability of America's client Arab states. Scared of the consequences of US defeat, and the imminent withdrawal from Iraq, they have been