

THE DECLINE OF CONTEMPORARY IMPERIALISM

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TABLE OF CONTENTS

ECONOMIC CRISIS AND AUSTERITY *

The economic crisis is systemic

The systemic economic crisis is worldwide

The systemic economic crisis is global

The economic crisis and the unequal development

The anarchic economic crisis aggravates the injustices

The economic crisis leads to austerity

The employees are heavily taxed

Who hide their money are the rich

The economic crisis is a crisis of overproduction

The subsidies to companies aggravate the crisis

The stock market speculation accentuates the monetary crisis

The crisis, travel companion of imperialism in ruin

The credit at will to compensate the decrease of markets

The credit drags capitalism to the ruin

The apparatus of advertising propaganda

The industrial collapse of imperialist economy

Disguising austerity with wrong statistics

The debt explodes and the imperialist state implodes

No austerity measure will protect the imperialist economy

The world war is inevitable

Two means to combat the austerity measures

THE AMERICANS REPATRIATE IN THE UNITED STATES **

Industrial outsourcing towards the United States?

Reduction in costs of labor force

The international competition among scamps

The uncontrolled sovereign debt
No secret but the inevitable reality of their abilities

THE INFERNAL SPIRAL OF CAPITALIZATION ***

The economic crisis explained to workers
The financialization of modern imperialist economy
The expansion of service industries in the modern imperialist economy
The inescapable crisis in two equations
The return of infernal spiral

THE PRODUCTIVITY OF EMPLOYEES ****

The productivity of companies
The productivity of employees
The absolute and relative productivity

THE NEO-LIBERAL INTERNATIONALIZATION *****

Criticism of neoliberal reformist thought
The ideas and principles of neoliberal reformism
The neoliberal interventionist « *let do* »
Economy in war against economy of war
United States, an example of economic impasse
War as « solution » to the economic crisis
The only solution to the economic crisis

NOTES

ECONOMIC CRISIS AND AUSTERITY *

The economic crisis is systemic

The economic crisis is the most apparent symptom of a clear malfunction of the whole method of production and marketing of goods under modern imperialism. The capitalist economic system is unable to resolve its internal contradictions and to ensure the valorization of capital, the accumulation of profits, and its expanded reproduction. Each component of the system is insufficient in its internal operation and in its interrelations with other economic components (money, credit, stock market, banking, industry, energy, trade, transportation, labor, research, consumption, communication, etc.). In addition this economic crisis leads gradually to misery all the chaotic structure of bourgeois democratic political system and profoundly affects the morals, ethics and the bourgeois ideology. That's why we say that the economic crisis is systemic.

The systemic economic crisis is worldwide

The independent national economies no longer exist in any part of earth. No country is now economically independent or detached from the global and world system of modern imperialist economy. This includes the United States of America, the declining superpower, as well as imperialist China, the rising superpower. This postulate implies that no local, regional or national solution is considerable to put an end to this systemic crisis. If there were solutions, these could only be worldwide. That's why we say that the economic crisis is systemic and worldwide.

The systemic economic crisis is global

All areas and sectors of the economy, including the hyper-mechanized agriculture, the robotic industry, the hydroelectric, nuclear, fossil and renewable energy, the mining industry, the fishing sites, the forest sector, the tourism, construction, transport, telecommunications, food, textiles and clothing, lodging, wholesale and retail, banks and trustees, individual retirement accounts, credit, national currencies, Stock Exchange, the consumption in general and the municipal, provincial, national and multinational governance, all suffer globally the systemic economic crisis. That's why we say that the economic crisis is systemic, global and worldwide.

The economic crisis and the unequal development

The development, historically differentiated, of modern imperialist political economy from the commercial method to industrial method, then to financial method; coupled with the unequal distribution of natural resources, fossil fuels, skilled and unskilled labor, the means of production and consequently of military power, have led to a new international division of labor, from which arose an unequal economic development, from one country to another and from one region to another over the globe, all these countries being connected with each other - and all interdependent - each country having a specific role to be played in the area of imperialist anarchic development in leaps -. Now, the economic crisis starts in the countries of Asian South-East, sometimes is in Japan, sometimes the New York Stock Exchange ignites and sometimes is the euro that is strangling, but later all other economies are dragged in recession. That's why we say that the world and global systemic economic crisis is the consequence of unequal, compound and leaping international development .

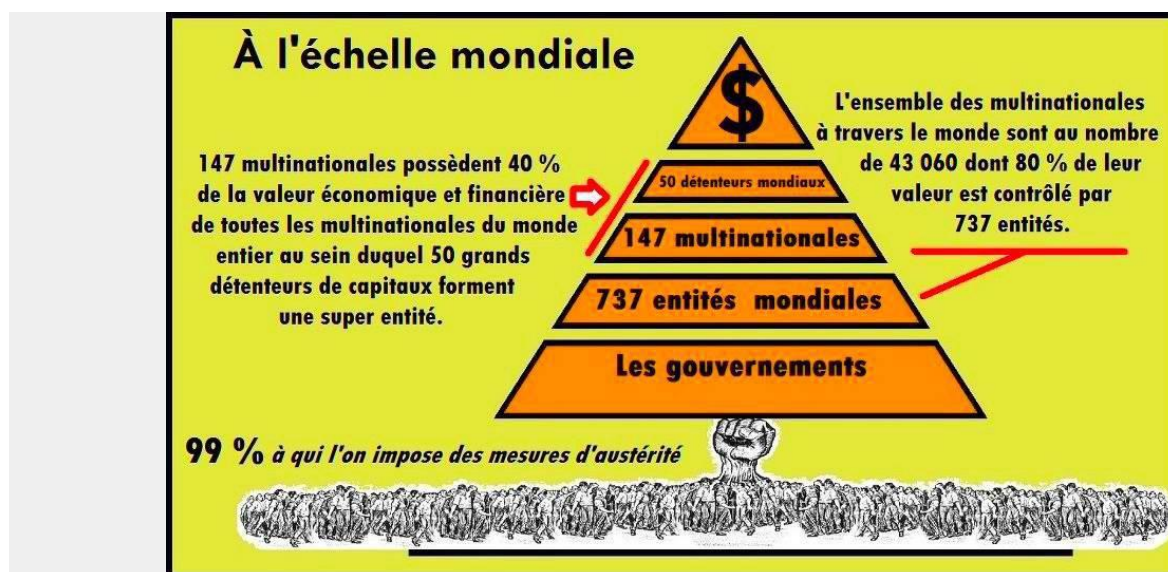
The anarchic economic crisis aggravates the injustices

The economic and social system - the method of production, *ultimately* - in which the Quebec, Canada, France, the United States and other countries of the evolved and survived world – for better or worse - is anarchic and unplanned. It is the product of "free enterprise", "free market" and the fierce competition between monopolies who appropriate all the means of production and exchange and all the resources for their exclusive benefit. The anarchist imperialist economic system is the product of the unrestrained accumulation of astonishing profits, bought up by a small layer of monopoly capitalists (the concentration

of wealth creates a stronger concentration as for induction as shown in the Figure 1). It brings the concentration of world heritage in the hands of a clique of rich narcissists of which, it seems, about a hundred billionaires would hold half of the world's wealth. While from the other hand two billion people survive with less than \$ 2 a day (\$ 730 per year) which clearly does not constitute a profitable market for the disposal of goods and the reproduction of capital. That's why we say that the systemic economic crisis is discursive, recurrent and anarchic and can't be adjusted within the modern imperialistic economic system 1.

Picture 1

Concentration of monopolist capital



The economic crisis leads to austerity

The austerity policies put in place by the different municipal, provincial, national, governments and multinational organizations all seek to preserve the profits of private enterprises, whether are small, medium, large, and to safeguard the dividends of oligopolies, the benefits of financial sharks, the income of banks and private billionaires. The way in which governments attempt to save the private companies from bankruptcy and from the erosion of their profits, is to transfer the burden of the economic crisis on the backs of employees, workers, the unemployed and their families, the poor and also of working aristocracy and the petty bourgeoisie who see their taxes and their levies, their rents, and their loans grow faster than their incomes. That's why we say that the austerity policies are not the cause, but the consequences of the world and global systemic economic crisis of modern imperialism.

The employees are heavily taxed

We observe the increases of taxes such as the TVQ (value added tax in Quebec that has

gone to 9.5% in 2012) and overloads of levy drawn directly on the wages of all employees who form 90% of active workers. We observe the increases of social burdens combined with increases in pricing of goods and services produced and distributed by the state. The cost of public services and taxes on consumption are drawn directly to the purchase, while the municipal and school taxes are calculated on the value of real estate (that 66% of leaseholder families in Montreal pay in the form of a rise of rents), and this leaves to employees a few ability to evade the revenue. Everyone is entitled to ask what are the real intentions of the police state when is launching hysterical campaigns about the widespread tax fraud by employees. During this time the wages stagnate or regress causing the depletion of the working aristocracy, the petty bourgeoisie and of all employees. That's why we say that we must reject these lying intentions of the police state, the accomplice media and to fight the increases in rents, fees, taxes and tariffs of public services.

Who hide their money are the rich

Nothing has been made to prevent the tax evasion of billionaires and stateless multinational corporations who conceal fifteen billion dollars in "offshore" tax heavens. Nearly half of all international financial transactions transit from these illegal heavens for indifferent and greedy billionaires. All international organizations tolerate and encourage secretly these practices, while publicly complain in hypocritical way. For several years, the gurus of the capitalist states criticize the tax evasion through "tax havens", these entities of any international law that undermine the national tax systems. However, a number of these lowest countries maintain on their territory such fraudulent tax heavens 2. This combination of "illegal tax hiding places" conceals other exemptions and legal but immoral tax loopholes, according to the rules and working values, at least.

The differentiated tax systems of companies, banks and negligent derivatives of IRS are intimately related to the process of internationalization of general economic activity. In an economic context, strongly "liberalized", following the global economic and trade agreements - NAFTA and European Union, Asia-Pacific Agreements, agreements driven by the WTO-3, under a situation where the technologies of information allow communications in real time, where productivity of labor is rising in the emerging countries (more than in the developed countries), where the transport of goods is becoming less expensive, it was never easy to disperse the different factories of the process of production-assembly and the different components of a profitable enterprise and to work them in the distance, by moving the income and expenditures according the conveniences. The "tax optimization" (paying less taxes and minimum fees) is not the cause but the result of this phenomenon that leads to the conversion of incomes and dividends in foreign currencies that create the general tax evasion and the crime of national borders (when it remains), placing the workers of Canada to compete with Chinese, Indian and Indonesian workers for the greatest benefit of the collectors of profits 4.

Who defraud the IRS are not the workers and employees, as government propaganda and that media one on the payroll would let us believe. But are the shareholders of private companies, the upper executives, the "shearers of discount coupons", the billionaires, the speculators and stock brokers, the mafia criminals with rich incomes, the members of

boards of directors who accumulate millions and the members of management board paid in shares and "stock options" that get generous tax breaks and golden parachutes, apart from concealing their money in tax heavens with the complicity of all national states and that of the organizations of international governance (IMF, WB, OECD, Swift, Libor, NAFTA, ICC, UN, WTO, etc.) 5.

It is totally impossible to overturn this tendency to tax fraud of rich and for rich because these same tyrants are those who rule the police state - as interposed flatterers 6. Worse, if a bourgeois state was aware of taxing wealth equitably, these ones would escape towards nefarious and composed places and take shelter of a complacent tax umbrella. That's why we say that the solution to the scandal of tax evasion will be worldwide, global and against the modern imperialist political economy 7.

The economic crisis is a crisis of overproduction

Since when the system of capitalist political economy is passed from a capitalist industrial stage of development to a monopolist financial stage and therefore to the international and global modern imperialist phase of development" the big problem of capitalist production is no longer to find producers and to increase tenfold their forces (productivity), but to bring to light consumers, to excite their appetites and create them artificial needs "8.

What the different levels of government are ripping to consumers - workers - employees, taxpayers with one hand, return it to the bankers and private enterprises with the other hand, but the enterprises, shopkeepers and traders are no longer able to sell their goods and services, because their customers - taxpayers - workers - consumers do not have more than enough money to buy the products that offer them in profusion on the consumption markets. To this process of request of the purchasing power we must add the price inflation that defrauds the money of employees and the unemployment that undermines completely the purchasing power of employees. That's why we say that the systemic economic crisis is a crisis of overproduction in a world of deprivation.

The subsidies to enterprises aggravate the crisis

The so called democratic state and the states which are not covered with a veneer of electoral democracy are at the mercy of the rich and are not serving the public, citizen, taxpayer, pensioner, patient, student, voter, unemployed or worker. The bourgeois policies are at the service of bankers, billionaires, shareholders of multinationals between areas of border, those who fund their elections and ensure them a good media coverage.

The governments and parliaments adopt laws to serve the enterprises- to ensure their benefits, their profits, their incomes and their dividends. The allowed financial efforts are giant on the part of the state of the rich - in the form of grants (in Quebec, there are 2300 programs of government subsidies designed for private citizen and that accumulate \$ 3.3 billion in aid annually), but also, in the form of contributions of discharges for IRA, in the form of discharge of social and municipal charges and tax relief for private categories.

In 2014, in Quebec, a company pays a maximum of 26.90% of levy on its net benefits, ie, 15% to federal and 11.90% to provincial 9. On the other hand, the taxation of an employee can to increase up to 55% (provincial and federal). And that's why we say (without

illusion!) that governments had to tax the rich and private enterprises rather than subsidize them 10.

We must be aware that the bourgeois governments can't change anything because when a State pretends to raise the taxes, the mining royalties, the oil, forest "monarchies", the depth sounder, or suggests to increase the privileged tariffs of electricity (\$ 0.04 a kilowatt), the multinational categories threaten to close their Canadian factories and transfer them in a country with a government more conciliatory. The "proletarians" are faced with the misunderstanding of requiring the rise in fees, taxes and levies of enterprises, then to lose their job. However, the recriminations of the working class have no effect on the segment of class of flatterers, solidly given to his masters, the plenipotentiaries of the economy. That's why we say that internationalization and globalization of the modern imperialist economy make effective their threats.

Furthermore, government aids in risk capital are not intended in any way to compensate the lack of capitalist liquidity because the Canadian private enterprises have stored 600 billion in revenue (2013) in anticipation of extraordinary business opportunities¹¹.

The Canadian monopolist companies overflow with capital as companies of all the great imperialist countries, incidentally. What is missing is not the capital to be invested, but the profitable markets to be conquered, the business opportunities in which to invest, and the opportunity to deprive the employees. Without solvent markets is useless to invest for producing new goods that will clutter the inventories. That's why we say that despite the government aid to the monopolist capitalist enterprises, the systemic economic crisis continues its inexorable collapse.

The stock exchange speculation accentuates the monetary crisis

The economic crisis of 2008, sometimes called the **Great Recession**, is a catastrophe in which entered the majority of industrialized countries following the stock exchange collapse of autumn 2008, which is also a consequence of the crisis of "subprime" of 2007. In December 2007 the United States were the first to go into recession, followed by several European countries during the year 2008 12. France has gone into recession only in 2009. Canada is narrowly escaped, but not without consequences. This world economic crisis is considered as the worst since the **Great Depression** of 1929.

In summer 2007, the American mortgage loans have been a detonator element of the financial crisis that led to the economic crisis of 2008-2010. The origin was underlined by a statement issued in August 2007 by a French banker who indicated that his bank suspended the quoted of three of its accounts because of "complete evaporation of liquidity" of certain US markets. Translating this singular ukase in vernacular language this meant that overnight money, of the speculative capital was "evaporated" (sic), had disappeared, no one knows where, or how. This puzzle is greater for the understanding of the operation of the system of imperialist economy. We'll be back.

If the high-risk mortgage loans (subprimes) alone have not caused a crisis of such magnitude, it were the element that triggered the movement that have shaken the entire financial-banking system in difficulty:

- the transfer of defaulting loans of banks to the stock exchange market, what stockbrokers call **the securitization** of these supposed parasitic "assets" 13;
- the creation of complex and opaque assets, what we call a stock exchange scam;
- the complicity of rating agencies (Standard and Poor's, Moody's), which did not evaluate the risks of these toxic "assets";
- the application of these accounting rules of "fair value" of the rules for fraudsters;
- the felt deficiencies of regulatory bodies to correct the "defects" in a context where the banking-stock exchange system has been largely deregulated, globalized, internationalized;
- the manipulation of the interest rates on loans from the "too big to fail". At the time of the crisis of 2008, the total value of assets called toxic (of which the subprime) is estimated at about 800 billion dollars and the losses induced by the banks are located between 2200 and 3.6 trillion dollars in the world, while the world stock exchange capitalization is decreased by almost 50% in 2008, moved from \$ 62.747 trillion, end of 2007, to \$ 32.575 trillion, end of 2008, with a loss of \$ 30 trillion, or 30 times more than the original loss . The financial building is collapsed like a house of cards. And this situation will be reproduced in the next stock exchange collapse.

"In other words the price of distrust, due to the advances of the market, compared to the real value of things. All the more so from the side of real economy, there has been no destruction of value of the productive apparatus or of potential customers of enterprises (we cite the example of the airlines whose stock market value decreased below the value of the assets that correspond to the planes in their possession). Simply, the market anticipates for pessimism and distrust future losses which amounts to the current time, in current net value, through the course of the stock exchange", niggles surprised the aspiring economist 14. That's why we say that the diabolical stock exchange speculation is uncontrollable.

The crisis: travel companion of the imperialism in ruin.

The stock exchange collapse of 2008 in which incidentally we wallow since time, was the imprescriptible and inevitable result of the natural and normal evolution of the system of modern imperialist economy. We summarize simply the concatenation of this obliged process. Simplifying excessively we will say that in the beginning there was a company having needs to be filled and is offering a market.

The first movement of this Shakespearean drama comes when an economic agent (the

capitalists), takes possession of the economic, political and ideological power and proposes not goods and services to fill those many and varied material needs but "goods" to their value of production, namely products withdrawn from its factories, its manufactures, its service labs, from its construction sites, its means of transport and communication that belong all to the shareholders-owners of the means of production, trade and communication. This private capitalist economic agent develops these functions of production, trade and communication for the only reason to pocket profits in profusion then to reinvest them to start a new beneficial economic cycle.. The motivation of the private owner of the means of production, trade and communication is not to meet the social needs of the population, but to satisfy his shareholders.

The second movement of this Shakespearean drama comes when in this race to the production of goods and services to make gush the surplus labor, source of maximum profit of the hands of the deprived worker, comes the contrary and the more the process is industrialized, mechanized, automatized and robotized, the more the profit is reduced, the more the capitalist demands productivity by the employee, to get more surplus labor to be deprived, and remains less real wages to employees to be consumed and start a new cycle of production- consumption-accumulation. The solvent market shrinks while the abilities of production are intensified and flood the markets of consumption with products that have less commercial value, while less customers are able to buy-consume-destroy.

Given that the benefit of the bankers, financiers, and brokers are all taken from the surplus value - the surplus labor deprived to the workers - and thus from the active and productive financial capital, the shrinking of markets leads to the slowdown of production as well as the cycle of enlarged reproduction of capital, which automatically causes the lowering of the benefits in the whole economic system.

The third movement of this Shakespearean drama leads the stock traders, brokers, bankers and financiers to imagine to spread widely the consumer credit to make consuming to the impoverished employees their salary in advance. They hope in this way to continue to pocket their part of the profits who will be unlikely never produced since the systemic economic crisis deepens. Above this solution of the illusory and ostentatious credit, the bankers and financiers add the creation of financial illegal, fraudulent and mafia "products" that, with the first stock exchange blaze, are consumed and fly in powder, what the French banker had called this "complete evaporation of liquidity", the disappearance of counterfeit currency, the fictitious capital that actually exists only on the schedule.

Since 2008, corrupt politicians, dishonest bankers, obsequious economists, ingenious experts and accomplices journalists tear their shirts in the churchyard of the banks and financial places that occupied the outraged protesters, abjuring their crimes and vowing that control measures will be established, that others will be reinforced, that the hegemony of financial capital is over and that many things will change. Nothing has changed according to the same mediators and in 2010 Greece was overwhelmed (45% of Greeks now live below the poverty line) and in 2012 the banks of Cyprus collapsed under the gauntlet of the Attila of international finance 15. That's why we say that the financial crisis

is the travel companion of the oligarchic and anarchic imperialism in ruin.

The credit at will to compensate the decrease of markets

We have previously "debated" about the unbridled credit, available anywhere, to consume, We must now deepen this scam realized by "fraudulent persons". To compensate the decrease in sales resulting from the decline in real incomes and purchasing power eroded of employees, the bankers and financiers have granted mortgages on which speculated; the private companies in the manufacturing sector (cars, furniture, appliances, electronics), started to loan, retailers and large areas have opened up loans for consumption in profusion. During the year 2013, the consumer credit which excludes mortgages and student loans have increased from 5 to 8% per month in the United States while GDP has had a stagnation. The personal loans amounted to 3.087 trillion dollars in 2013 in the United States 16. The proportions are equivalent in Western Europe and other Western countries. In Canada, the consumer credit rose from 438 million to 522 million dollars between 2009 and 2013, a rise higher than that of GDP and the inflation index 17. This unbridled use of loans – of money truly - makes only deepen the financial and monetary crisis and delay the expiration of stock market collapse that eventually will project the national economies, the Western economies and the world economy into a catastrophic depression.

All these loans are money put into circulation before being passed to the cycle of valorization of capital through the production of goods or services and the reproduction cycle of the capital from where the masters release their profits (dividends, benefits, annuities) . The credit is inflationary money put on the market by anticipated profits, not yet materialized.

Buying on credit is the current consumption of a virtual wage that the employee will not be able probably to reach since unemployment, wage stagnation, the increases in taxes and duties united to inflation will take it. Not to mention that for these loans the employee has just reduced its purchasing power of the amount of interests that will have to shell out without consuming (the interest on loan is the profit of the banker usurer). That's why governments are so concerned about the level of household debt which reached 164% in 2013 in Canada. Under different forms, Canadians borrow 100 billion dollars each year. Overall, Canadian families must give 1.6 trillion dollars while their real estate assets - their homes - are overvalued by 60%. For the error of the bankers, the Canadian families often live in poverty, below their means and will be enough a rise of interest rates so that the finance and economy collapse and sink irremediably 18. That is why the Bank of Canada and the Federal Reserve in the United States for the moment do not increase their interest rates of reference.

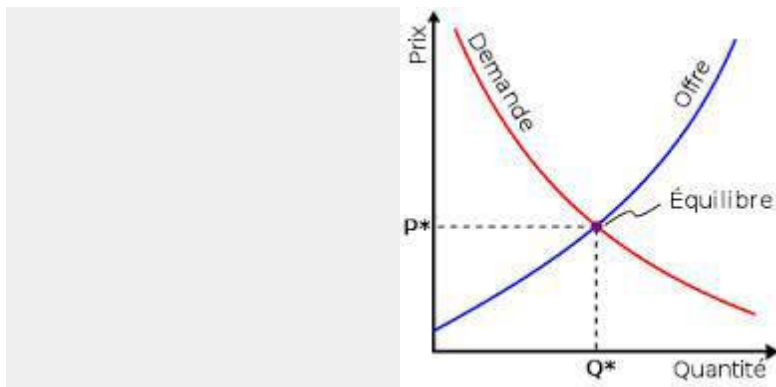
The whole of this problem of household debt, combined with the sovereign debt of the capitalist state who adds his burden on the backs of employees leads us to say that a crisis of credit will explode as a result of a stock exchange collapse and a devaluation of the currencies.

The credit drags capitalism to the ruin

You will have noticed that the different degrees of government can't do anything against the scourge of unbridled loans enrolled in the interior gears of the modern imperialist economy. The impression and the massive expansion of money (QE), particularly by the US government (\$ 85 billion inflation are injected into the world economy each month) and the unbridled access to credit cause the inflation in the consumer prices. The money is itself a commodity (it is the universal product - the fetish, the talisman that has to transform a whole other commodity into money). As universal merchandise, the money (in the form of coins, credit cards, mortgages, shares, profits, savings) represents an amount of goods and services available in the market to facilitate the exchange.

Figure 1

The curve of the law of supply and demand



According to **the law of supply and demand** the balance point, that is, not the value, but the average price of a good, is fixed in the meeting point between the curve of supply and the curve of demand. The product money, becoming more abundant, while the availability of other products remains relatively stable, causes that the symbolic value of the product "money" decreases and that more must be done to buy a good or a service, whose commercial value, contrary to the product money, is fixed by the amount of the product "workforce" that it contains. That's why we say that the different speculative currencies - with floating exchange rates in the international market - will be depreciated during the stock exchange collapse.

The apparatus of advertising propaganda

These different economic-financial processes determine the drastic reduction of the abilities of consumption of employees. The salary of a worker who is a fixed amount "not variable," every dollar earned allows to be purchased less and less goods at inflationary market price, that causes the accumulation of provisions in warehouses and unsold goods in the stores of which the capitalists require the destruction rather than the free distribution or at a lower price. Someone can reply that the sales are everywhere abundant and important on private markets, that's false. The goods sold off at the time of these sales

represent only a little part of the products in surplus and unsold. On the other hand, these sales at lower price (when the reduction is present but not always) make only undermining the markets, mortgaging the subsequent sales. That's why the vast apparatus of commercial advertising, combined with the enormous system of media propaganda (radio -television - newspapers - internet - publications - mail), which is spreading everywhere, has not the role to inform the public, but to make purchasing and consuming in inconsiderate way. Observing that the emissions of television, radio and the articles of newspapers are there just to fill the space-time between two commercial advertising and often the TV sitcoms and other "soap opera" televised or broadcasted aim only at reinforce the false need of which you have impregnated the spirit during commercial advertising. This advertising campaign is really an assault against the workers and employees, against consumers who aim to those expected for "having amount of things that make desiring another thing, because happiness is to have goods filled her closets ... ah the evil that can do us", sings the minstrel 19.

It is entirely unsuitable by petty-bourgeois that move in favor of "*voluntary poverty*" and "useful decay" for trying to make the workers feel guilty to be responsible for the excessive consumption generated by these huge apparatus of advertising propaganda. When a new system of political economy will be built to meet the needs of working people – without obligation to value capital to ensure the expanded reproduction of the system of political economy - will be useless to push for excessive consumption producer of surplus value and of profits since the pursuit of maximum profit will be no longer the engine of the economy. That's why we say that the only way to get out of this system of consumption to the end is to change the fundamental basis of political economy and to reverse this consumer society in difficulty that is forced to make excessive consumption to function.

The industrial collapse of imperialist economy

The combination of this economic process – leading to the shrinking of markets - the reduction of the purchasing power of employees - the surplus of inventories to be destroyed to keep the markets subsidiary - invariably leads to closures of factories, which aggravates more the unemployment to which is added the problem of outsourcing of the Western factories towards the East countries (phenomenon started in the 1970s) - towards the "Communist" China, particularly. The outsourcing is this industrial process from which Canadian, American, French, German monopolist enterprises, having their headquarter in the Western metropolis close their factories in their countries of origin and close their branches established in a vassal country, where the wages are higher, for transferring them in emerging countries where wages are less impressive and of which the surplus labor (surplus value) is resulting. This process is ongoing for several years, when the transfer of machine tools, robots and technologies; combined with the significant reduction in transport costs; associated with the rise of education of the wage workforce have ensured the significant increase of productivity in countries yesterday still underdeveloped (in the next chapter we will discuss extensively this movement).

The Western governments, of municipal, provincial, national or multinational level, can't do nothing to prevent these increases in productivity that the monopolist, capitalist companies organize, these drops in transport costs and in consequence these transfers of factories and these increases of profits that are the purpose of capitalism. We must always remember that the purpose of the operation of the monopolist capitalist economy is not to provide for the social needs of the dependent populations, but to ensure the expanded reproduction of the economy (method of production and exchange) leaning on the valorization of capital which requires the accumulation of profits. That's why we say that the industrial outsourcing is not the cause of the systemic economic crisis, but a desperate consequence of this crisis of the weakened profits.

Disguising austerity with wrong statistics

Pay attention to the statistics, that the imperialist states and their research institutes produce and publish about inflation, the rise in prices, rise on wages, incomes, unemployment, budget deficits. Being completely unable to regulate these economic problems the state apparatus adjusts the statistics, modifies the parameters and changes the variables for the calculation of the indices and publishes systematically disguised or erroneous data on the situation of the economy that have become tools of propaganda to appease or disorient the anger of the employees. In Quebec recently the Finance Minister postponed one year the achievement of zero deficit (the fiscal balance between incomes and government spending). To achieve this aim he has forecast a growth of GDP in Quebec of 3.5% in 2016, which is ridiculous and mendacious. Even the obsequious bourgeois economists could not confirm this nonsense, and several persons have criticized the Minister 20. Please note that in 2001 the National Assembly of Quebec adopted a prescribing law that obliges the government to reach the balanced budget (zero deficit). This law has never been applied since it was adopted 21. The same is for a law adopted in the Hall blue (called the Hall of the race from the late fascist Prime Minister Maurice Duplessis), which requires the fight against poverty. Since then, the police state has not stopped of attacking the poor without doing nothing against poverty. That's why we affirm that neither the provincial budget, nor the federal budget will be in balance before a number of years - probably not before the anticipated next financial collapse.

The debt explodes and the imperialist state implodes

The state, striving, increased continuously its aid to private companies, for its own interests; trying to reduce the tax burden of multinationals and therefore to weaken its tax income; reaching the limit of taxable incomes to individuals, workers, employees, working aristocrats and overtaxed petty bourgeois, the state of the rich hurried to borrow and to run into debt on the private bondholder market. Here is another way to which the State transfers public money to private capitalists. The bankers and financiers command the maneuver upstream and downstream collect the nest egg. They recommend government loans, lend at high rates, lower the share of credit of the States and fraudulently manipulate the interest rates on loans (Libor), lend and pocket the reimbursements burdened with strong interests 22. The sovereign debt of almost all industrialized countries

(but also of underdeveloped countries) is exorbitant, continue to increase and will never be able to be repaid ... that's for sure.

Capitalist states are living on credit. Finished the **welfare state** and its abundant manna - the crumbs sacrificed to working aristocrats and the pâté for accomplice petty bourgeois.. The bankrupt states emit currency of junk, reduce public spending and eliminate services, this is what they call **austerity**. They increase their levies on the mass of the capital for indirect taxation and push to state bankrupt as in Greece, Portugal, Cyprus, Spain and soon in many other countries. During this time, a model of the capitalist economy explains to the bureaucrats of the pequiste government that Quebec can do better and run into debt mainly towards bankers and plebeians. The former prime minister and former economist Jacques Parizeau explains that to make look more slender the sovereign debt of a Quebec that wants to be "sovereign" under the force of his clique of the bourgeoisie, it is enough to change accounting convention, and instead of publishing the debt of Quebec according to the concept of "*raw debt*", or according to the concept of "**net debt**", proposes on the contrary to calculate and publish it according to the concept of the "*sum of the accumulated deficit*". If in addition, the government avoids, like the United States, to use the strict accounting rule of IFRS (International Financial Reporting Standards) and adopts the US accounting convention - more accommodating - for the calculation of income, expenses, real estate and amortization, if it can - at least on paper - to reduce the public debt from 117% to "only" 65% of Quebecois "national" GDP (sic). And this, without having repaid a penny more to his creditors 23. The provincial public debt is estimated always about 300 billion dollars, but its relative "lightness" allows to hope to mortgage further the future.

The Canadian sovereign raw debt has now reached the astronomical sum of 1.437 trillion dollars (2012). The debt of Quebec reached \$ 300 billion, namely the 120% of the provincial GDP (2014). Combined with the federal debt, the debt for Quebecer rises to about \$ 38,000 with the addition of the personal debt of each individual. Needless to delay, the majority of employees will never be able to repay this public debt and their private debt. The rich who would have the means to repay escape and expatriate in other countries, like in Germany in 1930, in Russia around 1989, and like actually in Greece, Cyprus, Spain and France. That's why we say that the Canadian currency (like the euro and the US dollar) will collapse and the government will get rid of its debt by devaluing the dollar, depreciating in proportion the savings, the IRA, the commercial papers and the property values of all Canadians. And the same will happen in the United States and in all the countries where the modern imperialism is all the rage

No austerity measure will protect the imperialist economy

All measurements and policies of **austerity**, put in place by municipalities and governments of industrialized countries, and also by those of emerging countries, to get out of the crisis, have showed to be ineffective, irrelevant, or worse, have never been applied. Worse, often these austerity measures have contributed to worsen the economic, social and national political situation. Other measures suggested by the pseudo-left have

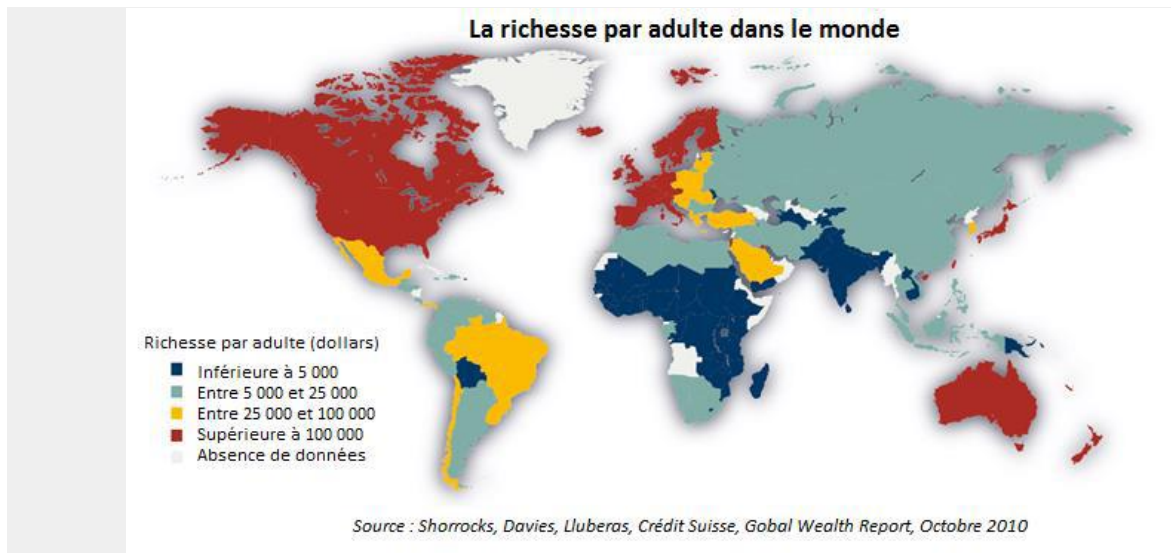
never been adopted by the bourgeois governments at the service of the rich and for obvious reasons, where have been applied, have proved to be catastrophic (Argentina, Iceland, Bolivia, Ecuador).

No reformist economist want to admit, but they do not know how to correct this system of political economy that go bankrupt. They do not even predict what will happen in the consequences of the application of this or that poultice on this care, or what will happen if any measures of austerity is applied. They can't do nothing but prolong the agony of this decrepit system. Here is a non-exhaustive list of austerity measures (leftist and right-side), suggested or applied in several industrialized countries.

Tobin Tax on stock exchange and financial transactions.- Nationalization of banks. - Nationalization of mining and energetic enterprises.- Legislate to ban tax havens and to stop tax evasion. - Legislate against stock exchange speculation and the financial embezzlement. - Increase taxes and levies of individuals. - Increase the prices. - Reduce the minimum wage. - Raise the rates for public services. - Increase the price of energy. - Increase the odds for the dole and reduce the performances. - Reduce the postal services and increase the price of stamps. - Reduce the consumer credit. – Reduce the access to mortgages. – Increase the base rate and the rates of interest on loans. - Adopt a law that can force a redistribution of wealth (sic). - Cancel the government debt concerning the IRA of employees. - Repay the national debt as quickly as possible (sic). - Reduce the government spending. - Increase the productivity of workers. - Raise the customs barriers to protect the national market. - Transform the capitalist governance. - Multiply the collections for impoverished workers.

For each of the reformist proposals of austerity so-called right-side, a reformist countermeasure so-called "leftist" is equally examined. All these measures have been adopted as such or rearranged or according to the local economy trend. All have failed, because none attacks the deep causes of the economic systemic crisis, none have given the expected results. Or the workers and employees are duped and the working class adheres to these tell lies reformists who claim to solve the international and global systemic economic crisis through some tricks of magician - redistribution of wealth and sanctions against freeloaders and doers - planned by political hucksters who have never been able to apply any anti-capital law. Or, we collectively reject the austerity measures that have imposed to us and we reship these beautiful petty bourgeois speakers, union bureaucrats and big monopolist capitalists to their antiquated economic pranks .

Chart 1
Distribution of wealth in the world



No country in the world is far from systemic economic crisis, because we affirm that there is no national solution to get out of the world and global systemic economic crisis except to get out of the modern imperialist economic system in bankrupt.

The world war is inevitable

The economic abyss deepens mainly every day. If we will get out of the current crisis, probably after a severe war, will be to start only a new crisis just as at the time of the Second World War. This new systemic crisis will proceed in the following sequence: - Stock exchange-financial collapse, followed by a terrible depression and a catastrophic unemployment, followed by a deadly war - serving to destroy quantities of productive forces (employees) and amount of means of production (factories, transportation, resources). That's why we say that the world and global systemic economic crisis is inevitable and could lead to a new world war.

Two means to combat the austerity measures

1) **COLLABORATE**: invoke benefits from austerity measures; implore the compassion of the rich so that they give a handout and apply policies to get out from the economic chaos. Then, whining because economists and specialists, politicians who manage the state power with the permission of the capitalists, those who hold the economic power for centuries, can't do otherwise - the laws of the capitalist economy fall them in the world and global systemic crisis.

2) **RESIST**: lead, everyone in our means of work, in our social means, in our neighborhood, the struggle of class resistance against each austerity measure that affects workers, students, unemployed; against rent increases; against the rising of prices of electricity; against rising rates of urban transport; for the increase of subsidies to housing; against the becoming bourgeois of working neighborhoods; against the arrest of the postal service and the rise in prices; for the right to publish, to demonstrate, to express; reject the propaganda of the bourgeois who tries to divide and isolate ourselves and conduct the counter-disinformation through social networks; refuse the increase of prices for kindergartens; refuse and fight the chauvinist and xenophobic card of anti-working

exclusion; go on strike as soon as the employer is offensive to our rights and our freedoms, when mocks the collective agreement that he has signed, or who refuses to pay the salary that workers evaluate reasonable; keep picket lines that stop the access of the factory to "Scabs" – reactionary scabs; support any working strike; demonstrate our working-wage unity on May Day of every year; to oppose the privatization of every public enterprise; oppose the privatization of the services of municipal aqueduct; reject their oil pipelines and their pollutant nuclear energy; oppose the deterioration of public services; dismiss the mafia politicians and corrupt cops.

This does not belong at all to us proletarians, workers, unemployed, pensioners, students, artisans, social beneficiary and poor to find solutions to the failure of their economic-political decadent system, system on which we have no grip and that we can never operate differently than in the planned way - that is, to enhance the capital - amass the greatest of dividends in favor of the rich and thus to ensure the expanded reproduction of monopolist private capital that throws us in the storm. We must build a new method of production - a planned method of production done by the woman and the worker for the wealth of the man and woman employee.

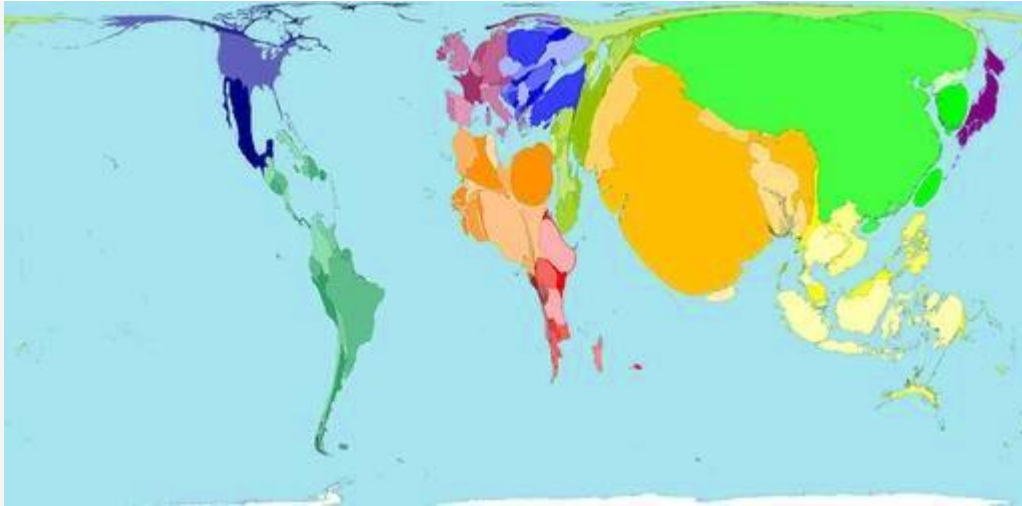
THE AMERICANS REPATRIATE IN THE UNITED STATES **

Industrial outsourcing towards the United States?

Liar media, subservient journalists and economists on the payroll denounce that for a long time a number of European, Canadian and American companies close their factories in Europe, Canada, Australia, Japan and in the United States and transfer them in the East. The unusual thing would be, however, that some companies would return in the United States to exploit a cheap labor. As example we have the case of the company Otis, an American company, that would have closed its production unit in Europe to repatriate it in the US 24.

Charter 2

Outsourcing of companies by country



The greatness of a country represents its attractive force.

Source: http://www.metiseurope.eu/delocalisations-un-geografia-bouleverseepar-il-crise_fr_70_art_29169.html

The charter 2 shows, for the year 2011, the importance of each hospitality country and gives a sign of its attractive force in terms of acceptance of the operations (production, computerization, management, distribution, communication, research / development) **outsourced and / or relocated**.

It is easy to point out that China and India claim the lion's share, but we must note that since 2011, India is most attractive than China in terms of outsourcing-relocation of factories and research centers, removing China that to create an internal market has had to increase the incomes of its employees. Some data show that China has passed the stage of the emerging economies and has become a power that exports its capitals, grabs markets, centralizes the management of huge international conglomerates that outsource and relocate their operations in several countries where the exploitation of capital (variable and constant), is more advantageous.

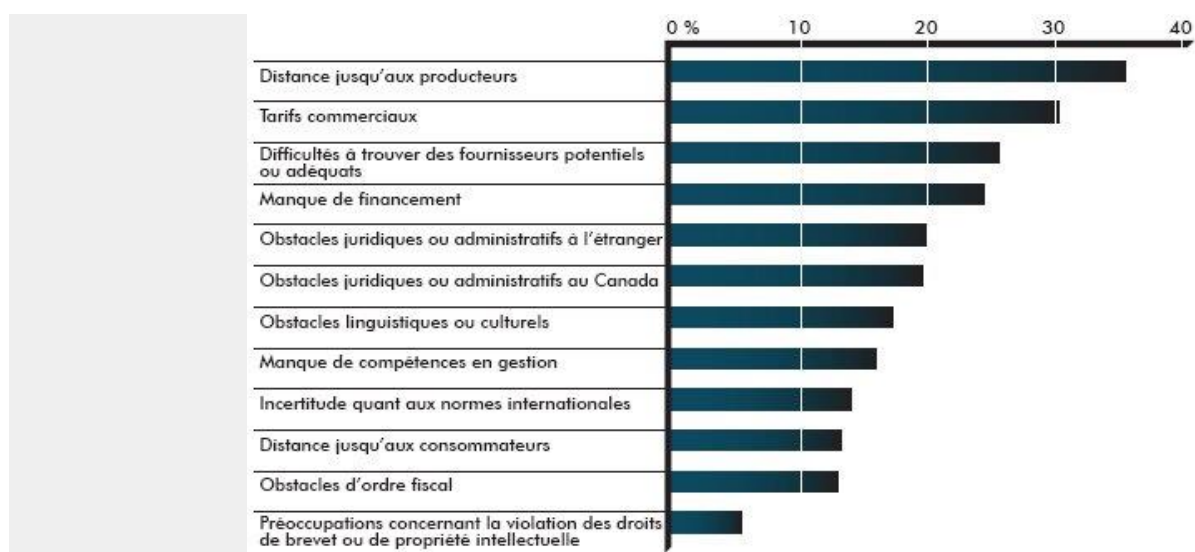
Experts and Cassandras waste in conjectures, speculate, evaluate and do not understand or to explain this strange phenomenon. Why such an inter-imperialist industrial deployment? This process will continue and for the capitalists of Europe, Canada, Australia what to do for opposing this movement provided that they can't be stopped or gone back?

This strategic industrial deployment is made possible and necessary by the combination of several binding and connected factors. First, the number of free trade agreements (EU-USA-Canada, South Korea-Canada, South Korea - United States, United States-Taiwan, etc.) that the no-global forces call the process of *"internationalization of the markets under the neo-liberalism"*, allowing the monopolist capitalists to move their factories in the world, to close wildly this unit of production in Belgium, France or in Canada and to move it to China, Korea, or India, or in direction of the United States, where the working resistance has been weakened for a long time 25.

The American police state, the European, Canadian, Australian, Japanese police states and those of all the countries subject to the relations of modern imperialist production have identified exactly the criteria that obstruct the outsourcing / relocation of the operations of a multinational monopolist enterprise. Together, in concert, under the direction of the WTO, UN, OECD, World Bank and IMF are working to decrease or make disappearing these barriers to the imperialistic industrial and commercial expansion. The figure 3, below, presents the twelve most important barriers that obstruct the outsourcing /relocation of a capitalist monopolist enterprise.

The workers are in the habit of reacting spontaneously to this depreciation of the value of the unique commodity that own and can sell their "work force", struggling for increases of wage or of better social benefits (group insurance, pension scheme), for maintaining their purchasing power, even the imperialist states have quickly realized that had to annihilate this resistance or had to resign themselves to the de-industrialization.

Figure 3
Obstacles to industrial outsourcing- relocation



Source: <http://www.ic.gc.ca/eic/site/eas-aes.nsf/fra/ra02152.html>

Some indices and significant events will serve to take measurements of the annihilation of the resistance of American employees from the accentuation of systemic economic crisis in 2008. The unionization rate is the lowest from the appearance of the trade unions. Just as little more of 11.3% of the workforce is registered in the United States. The unionization is extremely difficult, and many American workers consider that this struggle for unionization is not worth, in the light of the union struggles, aborted or liquidated.

Recently, President Obama has increased something about the minimum wage for employees underpaid of federal State. Barack Obama would have become an infiltrated

"communist" until the White House Oval Office as suggested by the leader of the Tea Party (sic)? No, of course, it is simply that the monopolist capitalist state made three observations:

- 1) on one side, the wage level is so low for the workers in the United States that does not allow anymore one part of the working class to ensure its enlarged reproduction, which causes shortages of workers in certain sectors of activities that exercise a pressure for higher wages.
- 2) As a result, the paltry level of practiced wages leads to the abandonment of the legal work for a part of employees who prefer to offer their service on the illicit market and for the activities of the black world. The banditry and crime against the person explode in the United States which is expensive in insurance, in repressive police service, clutters the justice system and the prison system (the fourth of the prisoners in the world would be imprisoned in the United States).
- 3) Finally, the steady decrease of the average and median wage reduces globally the market of solvent consumption for a larger portion of employees who today are over-leveraged, they don't find credit and cease to consume from which the explosion of secondhand markets, soup kitchens and other charitable unprofitable jobs for the big monopolist capital.

Last year, the law on compulsory insurance against illness for all employees (Medicare) is another measure taken by the Obama "Communist" administration(sic) and which aims to support consumption and shearing of working sheep from big pharmaceutical capital of the private medical services and of capitalist insurance. Under the pretext of providing an insurance to each worker for his health care, the health industry has found the way only to tax directly all workers to fill the pockets of monopolies of health and private insurance. The petty-bourgeois and the self-controlled columnist pen pushers will understand why American workers who were insured by their employers are rebelling against the fact that the state removes the big monopolist categories from this burden to put on the back of employees while the employees who were not insured previously have not always the means to insure for prohibitive tariffs. The only persons who earn on this Barack's scam are the capitalists of the private insurance while employees see their salaries reduced more as their consumption capacity. That's why we say that the systemic crisis of capitalism is a crisis of overproduction in a world of deprivation.

Like each one will have observed, the capitalist economic system operates according to impregnable - inevitable - inexorable laws that no one can ignore or transgress, especially the President of the first modern imperialist power.

The decrease in costs of the intercontinental transport (by steamships, container and bulk carriers) explains also the ease with which the factories can be moved from one country to another, from one continent to another. A food scandal about rotten meat in Europe last year has shown that to produce a simple frozen dish no less than six companies and factories located in six countries were involved in the production-marketing of this food poison.

Finally, the customs, tariff laws, the labor law and tax law structured, or forged by the officials of Brussels, Washington, Ottawa and Canberra, in favor of their masters, the multinational present in the Schengen area, in the NAFTA area and in the WTO sphere (World Trade Organization), ensure that the wage workforce, at the best price, will be exploited by stateless multinationals and that then their profits will migrate serenely toward tax havens to evade tax and social contributions always considered too expensive by those who have a vocation to gather the maximum profit to be redistributed to shareholders, avid to reinvest this capital for a new cycle of expanded reproduction, and in this way the economic life is under modern imperialism 26.

All these explanations do not circumvent fully the benefits sought by this inter-imperialist industrial deployment. What's the point to close in Aulnay-sous-Bois, Gent, Ste-Thérèse for investing in Flint, in Michigan?

Reduction in costs of labor force

For several years, the first world imperialist power intentionally keeps its currency, the dollar, below the value of the euro, which provides an obvious commercial advantage. Canada has begun such an operation of speculative devaluation of its currency for several months (CAD \$ 1 = US \$ 0.90 = € 0.65). The goods and services produced in the United States are so cheaper to be bought for a European, Australian or Japanese. It is necessary that the costs of production of these goods and services are controlled and maintained at the lowest price, otherwise the commercial advantage would be canceled by the wage gap that historically was in favor of the American workers, relatively well paid, by large monopolist industrial, at least. These times are passed thanks to the "Communist" Barack Obama (sic), the President of the petty-bourgeois "progressives".

The inflation generated by the impression and the constant injection of dollars into the financial system has reduced the purchasing power of the workers, that is, the value of the commodity "labor force" in the US market is decreasing, concretely even the profusion of cash (US dollars) and the devaluation of the American currency. Inflation and devaluation of a currency (American, European or Canadian), always have a cost for employees, and represent always a way to transfer the weight of the economic crisis on the shoulders of the working class, what no accomplice economist reveals to the employees.

The workers generally have in the habit of responding to this depreciation of the value of the commodity "labor force" fighting for increases of wage or the improvement of social benefits (group insurance, individual retirement account), because the American capitalists, with the support of their bourgeois state apparatus, launched, several years ago, repeated attacks against working conditions, against wages, against individual retirement account and against the conditions of reproduction of labor power of the American employees. The benefit of US monopolist capitalists is manifold; the devaluation of the US dollar, which allows to make cheaper the exported American goods, is added to the reduction of the cost of labor and an increased profit when put on the market products imported in the US market, operation assured by Wall Mart and the Target of the United

States.

Today, the productivity of the American worker (work rate, number of working hours, mechanization of work, rest periods shortened, etc.), as well as its low cost of realization (wages and social benefits in decline), provide an unique competitive advantage to the American monopolist entrepreneurs against their European and Canadian competitors.

Having destroyed enough the American working resistance with the complicity of union business men, having reinstated the proletariat and a large part of US employees to conditions of survival where, individually, each worker feels to be threatened by unemployment, the competition of foreign workers and the excessive suffocating indebtedness, each one totally isolated in his resistance fights for his personal survival (without class consciousness) and each one hustles himself to the best bidder on the "market of the workers" to conditions that do not allow even his expanded reproduction, (the worker and his family)! During this time, the ingenious ecologist petty-bourgeois makes a moralizing speech about the excessive consumption of the population and the need of the voluntary poverty, all gathered in their aseptic universities by underpaid employees of support.

The United States – the Western Europe - Canada - Australia and Japan are the proof, if you did not know! Forget the petty-bourgeoisie and the fringe of highly paid employees of the hypertrophic tertiary... which will be the next to go under the gauntlet of the accelerated process of impoverishment. Only then you will feel them to pity on shameless exploitation and you implore that could be granted them the postponement of the conscript.

Here is the American industry finally ready for a second "beginning" - a recovery and a recapture of its historical markets if there were not a number of aggravating problems that will be necessary to overcome before. Let us dwell briefly on these issues since Europe, Canada, Australia and Japan will have to face in a short time.

The international competition among crooks

1. The devaluation of the currency (the dollar) makes less attractive the returns on investments of capitals in the United States. The American imperialist companies thereby reduce the repatriation of their profits in the motherland (patriotism a go-go is good for landlords and bourgeois). The US stock exchange markets lack therefore liquidity and speculate directly on the cheap coin – the nonexistent inflation cash – the credit, serving to set up speculative scams, the pyramid of Ponzi, that one day will explode and will collapse. Lately, the Bank of deposit and loans of Quebec announced record returns in part thanks to the wonderful performances of the American speculative companies, which the next year most likely will implode and will drag the Bank in another of these years of record declines like in 2008 27.

2. The imperialist China maintains its competitive ability: raising constantly the level of productivity of its wage workforce (increasing budget in the research and development)

strictly controlling the slow and rigorous increase of wages of his workers to build up an internal market. In addition, China has begun to outsource some of its factories with low added value, namely having a labor force factor - variable capital- high (textile industry, dress, shoes, food, etc.) towards the poor Asian South-East and to the miserable Africa (Ethiopia) 28. China maintains thus its competitiveness in the face of Americans, Europeans, Canadians and Australians. A bourgeois economist summarizes in these terms, the dilemma of the contemporary Chinese economy: the fundamental imbalance of the Chinese economy is the low part of consumption in GDP (40% of its GDP, while the proportion is 70% in the United States, Canada and Europe). This imbalance results from policies that aim to keep interest rates artificially low, especially on deposits, which results in a subsidy to the large loaning enterprises, and this at the expense of the families. In the face of saving incomes less high, the households must save mainly, what finances the loans of companies which invest cheerfully, produce abundantly and export enormously. Ultimately, the families are facing high prices of imports because of the Chinese currency which is under-estimated, which acts as a subsidy to the exporter companies. The net result is that the investment is oversized in the GDP, like the surplus of the trade balance, and this at the expense of the consumption of families 29. And, in a manner of speaking, what prevents the Western imperialists to make the same?

3. On the other hand, the EU has tried to make concessions allowing to decrease the value of the Euro, but the Americans have accelerated the devaluation of their currency (idem for the Canadian dollar). The strong euro, relatively to the dollar, is an obstacle for the expansion of exports and inflates the sovereign debt of each state of the euro zone which continues to borrow merrily 30. The European monopolist capitalists - whatever their nationality - have already thought of this eventuality . The media economic turbulences, in concert with the dishonest policies and the union business bureaucrats are in the field for a long time to prove, starting from the Greek, Spanish, Portuguese, Italian and British examples, that the workers, who will not submit and will not agree to tighten the purse strings and to return to the conditions of wage and reproduction of the past, will be rejected by the omnipotent economic system - unemployment and social assistance, soup kitchen, homeless and flea markets will be their reward - like in the United States where a part of the working class lives in parks and sleeps in a tent although these millions of workers have a job. In bankruptcy, 30% of young couples have returned to live with their parents 31. The American workers have resigned themselves, why the European workers should not make the same?

The uncontrolled sovereign debt

The appreciation of the euro has the effect of increasing the amount of the sovereign debt of each European country, already heavily ballasted. The more a country is dependent for its internal capitalization of loans realized in euro and the more its debt increases although this state does not borrow a new euro. The debts of several European countries are of "community - "socialized - Europeanized" type which is far from being pleased to German imperialism.

The United States has already "adjusted" this kind of problem. The FED buys the saving obligations of the Yankee government and devalues in proportion the international value of the US dollar. In this way it earns on two lines, but at the price of a feared catastrophic collapse. It appears that the European Central Bank has decided to use the same suicide ploy by creating a compensation fund for re-floating the European lame ducks. In fact, this system of debt financing with the inflationary credit is suicidal because this rescue operation of the financial operations of the euro zone countries with the emission of money postpones only the problem of overproduction and under consumption – of aggravated unemployment - and of private and public catastrophic debt – towards hypothetical deadlines that could not be late and neither be avoided.

Tomorrow, pedantic economists and brazen politicians will explain us that is necessary superior sacrifices on the part of citizens (ATTAC certainly will ask for a public check to ascertain the magnitude of the announced disaster); require less wages and more productivity (the licensed economists will validate surely this need); require less public services to reduce the gigantic deficit, consequences of the growing indebtedness (the Left will propose to roll up their sleeves for the salvation of homeland); ensure more destructive wars of dispossession (like in Ukraine after Syria, Libya, Mali, Iraq, Afghanistan, Sudan, Congo, Ivory Coast and Serbia); and finally, require more subsidies and tax breaks in favor of firms in crisis and for banks in bankruptcy in order to allow them to maintain their rate of profit 32.

No secret but the inevitable reality of their inability

Forget the so-called "secret" about the German competitiveness of which nurtures for years the dream of the European, Canadian and Australian workers. Their secret is simple: the German workers have maintained the competitiveness of the German trust at the price of their health, their mental balance, their home life and their wage slavery. These are the same sacrifices that are imposed today to American workers to return the factories in their country of origin, but at the cost of their lives.

Be clear about it, the aim of the development of the capitalist system is not to produce wealth and ensure the flourishing of social relations, not even to accumulate astronomical profits. Always less people accumulate mainly money and wealth and however the imperialism is in crisis because it reaches less and less its objective of valorizing the capital - of expanded reproduction of the profit. The ultimate aim of the capitalist system in its imperialist stage of development is, through this seizure of profits, to ensure its enlarged reproduction. It is the unalterable law of capital that drives it to shove his intercontinental monopolist competitors, to make sure of surviving and being successful: proceed, accumulate profits, reinvest this constant capital (Cc), and this variable capital (Cv), and you assure a new cycle of expanded reproduction; otherwise, perish and lay down your balance sheet. Here is the recipe of the expanding monopolist enterprises. The crisis consists in the fact that they are no longer able to ensure this economic cycle, for all that this system exists and remains 33.

The political, socialist, liberal, democratic, republican, conservative, UMP and Le Pen puppets serve only to regulate this financial transaction between on the one hand, the investor - the buyer of risk with public capital, with savings and IRA - and on the other hand the needy working masses, deprived of all power and who sell their labor force to the better bidder for a wage less and less reasonable and with taxes increasingly exorbitant. This is take it or leave it, no loophole within this disorganized system, not even the illusion of restoring the national borders in order to recreate a patriotic national capitalist mean of exploitation against the international competition. If the factories come back in the United States or in another imperialist ruling country is because the rate of profit has been restored in favor of the international capital. The situation can only be temporary because the organic composition of capital will start again to deteriorate and because the uneven and connected development between these different countries will change always the conditions of exploitation of the working class.

Two possibilities are offered to the workers: follow the example of American employees and sell their labor force below the bargain price (under the limit of expanded reproduction of their lives), or resist with all their forces, refuse the Treaties of free trade and overthrow this police state and this dying economic system before their condemnation 34.

The Infernal Spiral of Capitalization ***

The systemic crisis explained to the workers

The systemic crisis usually begins for the overproduction of goods - a relative overproduction, we mean - according to a solvent market. During this time, hundreds of millions of people have no access to the vital minimum to survive and reproduce. But since these poor can't to pay, they do not represent a market. The solvent market (including credit) shrinks, the same in the West, following the withdrawals made by the state (taxes, duties, fees and rates) added to the relative decrease of the state expenses, these destined to the people and the reproduction of labor force. The apparatus of marketing finds less and less markets for goods to be sold that are piled up in warehouses. This is the overproduction of products in the middle of the shortage of the poor.

Why this resurgence on the sly of the overproduction? Who or what triggers each new crisis of overproduction? The fact is that **the capitalist economy is not absolutely planned**. The invisible hand of the market is an anarchic hand, sensitive to maximum profit, whatever the price to be paid. The production increases in the areas occasionally advantageous for cyclical reasons. Thus, the profits are higher in certain sectors of the economy - where the productivity is temporarily increased, often because of an ephemeral technological innovation, thanks to a new manufacturing process, a consequence of the accelerated cadences of work, the extension of the working day. But all these tactics, to maintain raised the rates of profit, are imitated quickly by competitors so that the accumulation of **relative surplus value** does not last, and soon all the competitors find themselves in the same situation to compete for the same saturated markets.

In the following passage, the factories, that produce current goods of consumption, reduce their production and lay off all as distributors, transport companies, wholesalers and retailers. Those that reduce their consumption drag the monopolies of supply of energy and raw materials in their disappointments. They also lay off and reduce their production. This is fine for customers who find themselves suddenly on the street with narrow earnings that leads them to reduce their standard living conditions and accentuate the decline of consumption that aggravates the overproduction.

The financialization of the modern imperialist economy

Is it possible to obstacle the collapse of markets by keeping them artificially high with the spread of loans (at compound interest rate)? Yes, but only for a period. The banks prove this every day with their credit for the unbridled consumption. But all this for a period, until when father Fouettard comes there and takes his pint of blood, finished the paradise of "everything on credit".

Exasperated, the central banks of imperialist countries have flung themselves, and have prepared inflationary currency increasing immeasurably the mass of money in circulation. We talk here of the major currencies (US Dollar, Euro, Yen, Yuan) which are governing the currencies of dependent countries, these little capitalist countries which are living under imperialism. Thus, the French CFA of Francophone Africa (15 African dependent countries) is tied to the euro and suffers all the mishaps that collects the euro and the same is for the other national currencies whose countries trade with one or other world great powers.

Even the business and saving private banks, starting from these emissions of the central banks, produce coin (it is the leverage effect). **The private banks monetize their credits and thus create more money, because each credit operation is an operation of money creation.** The markets are soon flooded with liquidity which leads to the fall of the interest rates on the money and reduces the returns on investments (at fixed-determined rate are the obligations - at anticipated rate, are the actions).

Everything is connected in this anarchic, vampire, grabbing-money economy. This continuous influx of money, less and less concentrated among monopolist financial hands, guarantees the stock exchange speculation - the speculator, having not often to shell out his payment before selling its assets to cash his profit and reinvest it in a speculative adventure, much more utopian and profitable and thus to pocket more profits with high profit- evanescent- since dependent from the wind.

These investments with high-efficiency increase further the monetary mass in circulation which reduces considerably the profits on stock exchange investments and inflates the bubble that is about to explode. The stock exchange loses its head and flies away while the production is weakened, the employment decreases, the consumption stagnates, in

this way the productive investments (machinery and means of production, raw materials and energy), regress, because the expected profits are too risky simultaneously, because the consumption decreases, the markets are nervous and the investments on means of production and productive forces collapse. It becomes more interesting in terms of return on the money to be speculated on markets, on chatter, rather than cereals, cotton, raw materials and energy. These are the cocktail of toxic assets and the sulfurous "**securitized**" financial assembles pilloried that spread on the stock exchange, question to navigate on the sprint of fictitious indices. All this is what economists call the **financialization** of the economy without being able to explain, nor especially to contradict because it is a vital law of imperialist political economy.

The outsourcing of the modern imperialist economy

The tertiary sector (finance, insurance, bank, office automation, management, service, tourism, hotel business, catering, education, research and development) grabs up to 70% of employments in the economies of the dominant imperialist countries. The **outsourcing** of the economy and employment is the result of the **financialization** and a consequence of the **monetization** of trade, and *ultimately*, the unequal and connected development under the modern imperialist political economy. Every country has its role to be played in the international division of labor and to the imperialist dominant countries have been attributed the role of consumers of goods for the realization of profit.

Now we overturn the chain of relationships. The financialization of the economy - the monetization of trade - has had the effect of strengthening the fetishism of money, of increasing infinitely the amount of money in circulation so much that in the imperialist stage of capitalism the money produces money without passing through the cycle of the production of goods, in other words, without passing through the circuit of valorization of capital, which is a nonsense that in the long run can't last.

We repeat, in this parallel circuit money produces money since is a commodity - but a commodity that gradually loses its symbolic "representative" value of a real commercial value (real goods whose value is determined by the amount of workforce contained). Too much money is suddenly to be chased (in the sense of representing) too few goods which devalues this particular commodity that is the currency money-credit.

However, strangely, it is noted that there are too few goods in circulation for the money at disposal. However, there is a crisis of relative overproduction of goods. That's because those who accumulate huge fortunes have satisfied their need for a long time and do not consume more, while employees and idlers lack of the essential like the poor of the Third World. The conclusion will be the day where, as in Germany in the thirties, needed a wheelbarrow of devalued trademarks to buy a pound of unreal butter (because in the meantime the overproduction had turned into deficiency). The concentration of cash among less and less multibillion hands does not represent the deviation of a perverted capitalism, is a imperative law of the method of capitalist production in its modern

imperialist stage. No one can transgress this law without destroying the imperialist political economy, what the monopolist capitalist class will never leave us to do and will force us to upset it.

Contrarily to what the pseudo reformist left claims, this conclusion is not intended or desired by bankers. This unexpected result is the consequence of the laws of enforced operation of the confused capitalist economy - the law of private ownership of the means of production - the law of seeking for maximum profit - the law of the degradation of the organic composition of capital - the law of decreasing the average social rate of profit - and the law of the containment of the process of valorization of capital and its expanded reproduction. No economist or political leader, neither capitalist nor pseudo-socialist **can prevent these laws to steer the imperialist capitalist economy towards the crisis which the capitalists will try one day to eradicate starting the destruction of productive forces and means of production for a systemic crisis that they will not dominate, or worse, for a genocidal war.**

The inevitable crisis in two equations

While the basic equation that summarizes the method of operation of the competitive classic capitalism (nineteenth and early twentieth century) was::

$$A - \text{»} C - \text{»} M - 'C' = (A + (p, i, r))$$

A sum of **Money** turned into productive **Capital** (machinery, natural resources, energy and wage labor force) generates a **Goods** that when will be marketed - sold - will allow to realize a sum of **Money** enriched of **surplus value** turned into profit (**profit**, interest, rent) to be distributed to the different private owners of capital to start a new cycle of valorization of the private **Capital** (**C'**). The employee, having received his weekly wage to be spent to buy these marketed goods.

The basic equation in the system of modern imperialist monopolist economy is normally:

$$A - "a - " A' = (A + (i))$$

A sum of **Money** can't be anymore turned into productive **Capital** as previously, but simply in consumer credit (**a**) that will bring back a sum of **Money** enriched of interests (**i**) not ascribed to real tradable goods whose production would be a source of **surplus value** (of the wealth expropriated to the dependent labor force).

If such a stratagem was affordable in the long term, one wonders why the capitalists would continue the production of goods to be marketed. **It is infinitely easier to speculate on**

the stock market - buying and selling fake stocks and bonds (without the same extending of capital since all this speculation is made in installments with money nonexistent, that is, money not ascribed to real property or goods) and to pocket an artificial speculative benefit - to produce goods with cash, heavy goods to be transported, bulky goods to be stored and distributed, complicated to be marketed, complex to be credited, difficult to be collected in devalued money. All that is very complicated and very risky, you will agree, compared to a simple stock market investment that you collected when is well soaked with complex benefits, then you place your tax credit, collected recently, on another stock exchange "product".

So why all the existing **Capital** - chasing an abundant and easy profit - not spills speculatively in the stock exchange to valorize itself and to pocket easy profits? But it is just what makes the **Money** (even if the operation is suicidal) and in this way this **Money** (without real value) ballasts the system and prepares the conditions for the following stock market collapse, even more effective, because there is no valorization - no production of value and surplus value – of new surplus value - in this working mixture. Then this rotten system loses the control and none of these brokers, and of these economic experts can do anything - the easy capital search instinctively for the volatile and fragile capital.

The resumption of the infernal spiral

When the central banks (Fed, ECB, Bank of Japan, Bank of China, Bank of Canada, Bank of Australia) will have overwhelmed completely the markets with artificial currencies, then it will be time to devalue even more drastically this artificial currency and possibly to issue new coins to start again the infernal spiral of the accumulation without expanded reproduction of capital.

Meanwhile, a part of the monopolist capitalists will be fled from these countries with a part of the means of production (machinery, tank and outsourcing), and with their capital turned into votive-worthless currency. The capital currency, not having more value, the same workers, not having been able to guard against this devaluation, will lose their savings, their IRA, their real estate assets (for those owners of a house), and they will have to be rehired as a slave employee to suffer a new devastating economic spiral. And the modern imperialist economic regime will resume its deadly cycle until you decide to overthrow for replacing it.

The productivity of employees ****

The productivity of enterprises

The ex-Prime Minister Jacques Parizeau, former renowned little financier, was indignant for the stagnation of productivity of the Quebecois PME " *The Quebecois companies show an important delay in productivity. The result is a standard of living lower in Quebec than elsewhere in Canada* "35.

M. Jacques Parizeau recommends to the State apparatus and to the Quebecois capitalists

Quebecers to lead a campaign to raise the "productivity of their companies", a sad euphemism to say that the former prime minister referred to the productivity of the workers. The former graduate of HEC launched this battle cry in favor of an increased exploitation of the Quebecois employees who are struggling on their machine-tools, their assembly line, on building sites, in polluted laboratories and in the unhealthy "sweats shops".

Indeed, to understand the deep meaning of this alarm cry of the former minister of the rich we have to know what means to raise the productivity of employees. The pequiste "meteor" stammered a few words about robotics, computer science, mechanization to muddle and conceal this planned assault against small employees. On the thousands of Quebecois companies the average is to \$ 500,000 CAD of number of annual affair. What acquisition of expensive machinery and robot we are talking in these conditions?

The productivity of employees

The industrial productivity is measured in number of items (goods) produced in one hour of dependent employment. There is an increase in productivity when a seamstress who produced quickly 20 shirts per hour manages to tire herself out sewing 25 shirts in an hour, equipped with a sophisticated sewing machine. If she uses a new sewing machine, his master will subtract the value (amortization) of this new device for each shirt sold, to know about the rise of financial productivity and to know if 5 additional shirts for now is enough to increase his profit. If it's not necessary, the owner will demand a greater operating speed to pass from 25 to 30 shirts sewn for each hour worked to amortize faster the price of its new machinery and thus increase its profit to the price of the disease, of an accident or the premature wear of the seamstress. It matters little to the capitalist that this dressmaker is exhaust or is sick more often because this neighborhood is full of bent seamstresses to be exploited and with the chauvinist *Charter of the values* of the sacristans of PQ hundreds of new seamstresses bent - underpaid - in the hands of sirens, fired will be occupied soon to beg for a job. Note that the angry feminists (shocked seeing a bent woman) are not indignant in seeing these women crushed, broken, used, chained to their craft in these laboratories of Rue Laurier, provided they are exploited and squeezed, but the head stripped secularized.

Raising the productivity means for the worker to put effort into a "sub-contractor, fixed term, Ford and Taylor" PME, agreeing to work hardly when the boss needs him, and to be fired when the employer no longer needs him. The employee must be fully available to the needs of capital. He must undergo a continual alternation of periods of intense work and unemployment, a shift of the workplace to the liking of the movements of capital (the Chinese workers are transplanted with their laboratories from one country to another). He has to suffer the effects of the new global division of labor. The work, so divided and intensified, obtains no increase in net income to the alienated employee.

Well, on the contrary his meal is decreased and uncertain. This is a part of what indicates the concept of precarious and flexible working conditions for a larger productivity 36.

This precarious work is what aims to generalize the monopolized capitalism as a means to increase productivity. It has several advantages for companies in strong intensity of variable capital (labor large). The precarious work is not only the intermittent work, part-time, but also for the worker the multiplication of temporary employments, this generates partial salaries, which will affect his pension. The "working poor" see their numbers grow in the United States (they are 97 million), in the United Kingdom, Canada (where two of three workers are disciplined by atypical working hours, at any time, intermittent, the weekends) and in Australia, where this system was initially adopted 37.

The work of short duration is suitable to the search for the maximum of intensity and productivity; the efficiency of the worker is always higher in the early hours of the working day: *"How the work is made more intense? The first effect of the reduction of the working day is that the ability of action of each animal force is in the inverse ratio of time during which he acts. Within precise limits one gains in efficiency what he loses in lifetime "* 38.

The absolute and relative productivity

The economic crisis under which falls the economy marks the end of the "healthy" effects of neo-liberalism (which has nothing of liberal). This systemic crisis shows the limits faced by the increase of **relative surplus value** (increase of profits for the increases in productivity following the mechanization of production). The productivity for mechanization-robotization having reached a maximum, the monopolist bourgeoisie leads an offensive in view of increasing the **absolute surplus value** either lowering the relative salaries (inflation and cut speculation), and the same, in several countries, reducing the absolute salaries (United States, Great Britain, Ireland, Greece, Spain, Cyprus, Egypt, Eastern European countries).

The effort of some US capitalist enterprises was so consequent to increase the productivity - absolute surplus value - that some of them repatriate their factories to the United States (see our second chapter).

The recovery of **relative surplus value** is a method of exploitation, relatively painless, because the increase of profit appears as coming from the completion of the machinery thus from this seems to be the "contribution" of the investment in money in the valorization of capital 39.

Instead the recovery of **absolute surplus value** in which the master Parizeau invites the capitalists to make an effort is a form much more clear of exploitation. The increase of the recovery of surplus value (called increase of productivity by employers and their cronies), clearly appears as coming entirely from the contribution of the employee. The working time is stretched, intensified, flexible, and, still worse, always less paid.

Therefore it will be necessary an increased violence of the **police state** to impose the

destruction of "social gains", so important for the impoverished petty-bourgeois, making believe that it is necessary to reintroduce of employment, which justifies the application of the measures of radical **austerity** against the employee. These transformations of social relations, started for a long time, are and will be accentuated in the context of the crisis that deepens.

Finally, it is time that the old tired lender and his friends, the progressive rigid economists must realize that it is useless to raise the productivity for increasing the amount of goods to be settled when the markets are already saturated, the waged customers indebted - impoverished and unable to absorb other sold off goods.

Raising the productivity is not intended to increase the production or the collective wealth, but to drug the company's competitiveness and lay off the employees. If this increase in productivity has been slow in Canada and in Quebec, this is a consequence of the unionization of employees and the combativeness of certain wage sectors, the resistance of the students equally, but this outcry of the former general manager leads to illustrious clashes.

THE NEOLIBERAL INTERNALIZATION *****

Criticism of neoliberal reformist thought

The terms "neo-liberalism", "internationalization", "globalization", "monetization" "financialization" and "austerity" are presented as characterizing a new stage of development of the capitalist mode of production, that's totally false. The political economy of the "internationalization", "globalization" and "austerity" has been studied and described in the period between the two wars (1916 -1939). Conversely, it is justified to say that the modern imperialist political economy has entered in a new stage of development from the years 1968-1971 and the repudiation of the **Bretton Woods** agreement, the abolition of the gold convertibility of the US dollar and other currencies, and the adoption of the regime of floating monetary exchanges 40. However this new phase of modern imperialism is only the exacerbating of the contradictions already contained in the classical capitalism.

According to the criticisms of the neoliberal internationalization, the commercial (mercantile) capitalist method of production, based on trade and colonization, would have evolved towards the neocolonial industrial capitalism, marked by protectionism and tariff barriers to protect the national markets from foreign competition.

This method of production would have evolved towards the "globalized, internationalized, monetarist and financial neo-liberalism", that we know today. The characteristics of this not entirely new imperialist, neo-liberal, economic system would be that the whole economy is now grabbed by the private sector and a handful of bankers at the expense of equity and the public, community and popular good. The **State**, yesterday still fair and

equitable - impartial arbiter between conflicting social forces - would have been usurped and grabbed by a clique of rich - in collusion – co-opting, plotting and bribing the officials – paying the politicians from the hidden electoral funds and from bribes and grabbing all the power in every State.

The media in our free and democratic companies (sic) would have lacked in supervision and sometimes would have turned inappropriately a blind eye on these misappropriations. The current mission of the electoral, no global, social democratic, nationalist and eco-socialist "leftist" opposition would be to upgrade the state and government apparatus, this impartial arbiter between the divergent social forces, in the direction of its natural inclination, which should not abandon never, in favor of fairness and justice. All this is only scam, as you have understood.

The ultimate aim of this opposition, of this civic and town tearful torchlight procession would be to maintain the **welfare state** - symbol of years of happiness where the petty bourgeoisie exulted – from sixties until the nineties 41. The petty bourgeoisie, transmission belt and "water bearer" of the big monopolist capital, would thus retain its privileges (its golden chains), and not to suffer the torments of the globalized, internationalized neo-liberalism, this abusive system that destroys all the foundations of social harmony that the petty-bourgeois has found so difficult to make credible in the eyes of the workers, employees of the westernized states. It is necessary to know that the phenomenon of the **welfare state** has been strictly **limited** to the political and imperialist West 42.

"Starting from the 1970s, with the strengthening of the thoughts of Milton Friedman and Friedrich Hayek the word neo-liberalism takes another direction. Starting from Michel Foucault the neo-liberalism is then presented as a technique of government, an economic and social policy that extends the influence of mechanisms of market to the whole of life. Friedman and Hayek are shown in France as those who are in large part the inspirers which never boasted of the neo-liberalism, but only of the Keynesian. The economic context marked by the end of the Bretton Woods system raises the discussions between economic schools and their intensity has helped to popularize this term"43.

The ideals and principles of neo-liberal reformism

The terms "neo-liberalism, internationalization, globalization, monetization, financialization", indicate today an union of ideological, economic and political orientations of reformist and opportunist inspiration which share many common ideas:

-The neoliberal school of thought denounces the aspiration of a part of the bourgeois intellectuals who are opposed to the "**austerity**" and hope to maintain the declining "**welfare state**". This school of thought denounces the increase of government interventions in the economy in the form of abusive rules. It complains the maintaining of tax burdens in surplus for the "deficit" private companies (sic). Denounce the takeover of

private companies by the "socialist" State, companies that should, according to the neo-liberal intellectuals, be relegated to the private sector, as soon as 'put back in order'. And the no-global petty bourgeois and pseudo-socialist detractors of neo-liberalism oppose this, because these state profitable enterprises would benefit to the taxpayers.

-The neoliberal school of thought makes the promotion of the economy of free market in the name of the freedom of the economic agent producer and of economic actor consumer and in the name of economic "effectiveness" of the competitive and monopolist free enterprise. Subject very playful when we look at the structural and systemic economic crisis that never ends to demonstrate the inadequacy of the capitalist free enterprise to be survived without genocidal wars, without repetitive financial crises, without endemic famine, without homicidal pandemics and without cataclysms (for which the people of Third World are never prepared or protected). The libertarian, no-global, ecologist, and so-called "anti-austerity" pseudo left should be sufficiently advised to understand that the free market and free competition do not exist absolutely under monopolist imperialism.

The neoliberal school of thought enhances the deregulation of markets that should be strictly regulated by forces and by natural laws of the "free" market and the yoke of free monopolist competition (sic). The petty bourgeois, no-global and pseudo-socialist reformists reply that thirty years of deregulation led to the accentuation of corruption, collusion, the looting of public administrations; the accentuation of tax fraud and the proliferation of tax havens; the extent of excessive stock exchange speculation; the monetary and banking drift; the destruction of public services; the multiplication of food poisonings, the increase of train, air, road, maritime and oil accidents; the deployment of destructive regional wars; as well as the total anarchy of the imperialist economic development that extends now in all its breadth and in all its horror. All this is true, but it is also true that these economic, sociological, political and military trends are inserted into the genetic code of modern imperialism and will never be blocked if we remain at the mercy of the imperialist method of production.

The neoliberal ideologues defend the austerity and aim to the progressive and selective disappearance of the public sector of economy in favor of the private sector in the profitable and advantageous fields. Evidently the working class through the world does not agree absolutely with this grotesque mishmash, but the attentive militant quickly perceives that the powers (economic, political, legal and military), are indifferent to its vehement hesitations and that only a very muscular opposition can contrast the decisions taken at high grade by public administrations of state governance in the pay of the rich.

-The Neoliberal intellectuals demand in the name of their capitalist supporters that the sectors of economic activity of production, distribution and of not profitable public services must be abandoned if are not essential to the expanded reproduction of capital; or, in a vast austerity program, that must be greatly reduced in terms of government spending and aim at the expense of the user-payer, freeing up the extra government income to increase the subsidies to parasitic private enterprises under the pretext of "stimulating the economy", to create employments (heavily subsidized, temporary and ephemeral) and to

repay the sovereign debt being totally escaped to the government control of the butlers of capital.

-As mutually agreed, enthusiast neoliberals and critics of the depressive neoliberalism agree that state budgets must be put imperatively at the service of the big capital for its expanded reproduction and the challenge of capitalist public administrations consists in pushing through employees, including impoverished and indebted petty bourgeois, these austerity policies, concretely, this pillage of IRA, bank deposits of savers, public loans that henceforth will not pass through a process of generalized divestment (social assistance, family subsidy, subsidized nursery, urban transport, subsidized housing, health care, education and public services) but will pour directly - without intermediaries - in the pockets of monopolies and billionaires. The blackmail of forestry companies and monopolist workers of aluminum, which require a new decrease of the tariffs for electricity already under billed, is an authentic manifestation of this imperialist dictatorship on public governance 44.

-The bourgeois criticisms of "neo-liberalism" complain that this group of **austerity** measures and disengagement of "neoliberal" governments increases the social inequalities; destabilizes the city collective tow; undermines the civic peace; plunders the natural resources of the nation and unbalances the bourgeois state in its legal practices involving him "too strongly" (they say), from the side of the landowner, withdrawing his faded figure "of impartial arbiter" over the social classes.

The neoliberal state-controlled "permissiveness"

Contrarily to "permissiveness", the bourgeois state intervenes constantly and much more in "austere" way and vigorously to organize and support the expanded reproduction of capital, ie, to ensure the valorization (profits) of the capital which is the basic condition of the reproduction of the system of modern imperialist political economy. The bourgeois state is able to do only this. The so-called globalized neoliberal internalization characterized by austerity and the state no-intervention is only lie and deception that accredit the no-global, eco- socialist and leftist organizations for their complaints of the state pseudo release. There has not been absolutely disengagement of the capitalist state. There are simply austerity measures and new orientation of priorities of the state in favor of the capitalists without passing for the petty bourgeoisie, the poor, the social assisted, the unemployed and students.

Every day the bourgeois state of "austerity" releases itself from public services and reduces its expenditures for the reproduction of labor power and social support, while every day the **welfare state for the rich** moves public money, thus saved, towards programs of support for the capitalists (in Quebec there are 2300 subsidy programs to the companies) to ensure the expanded reproduction of capital of which the state is the universal commander, and this regardless of the faction of the bourgeoisie which controls the political power, the pseudo left or the authentic right. Finally, all their efforts are in vain,

because the economic collapse is coming 45.

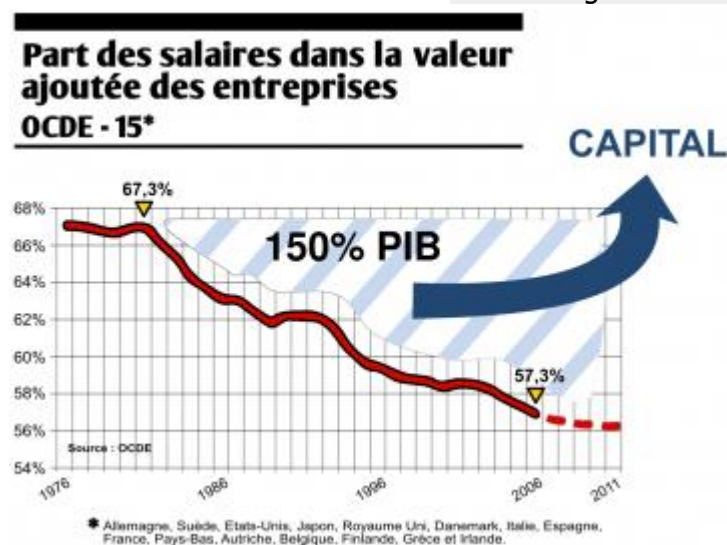
The economy in war against the economy of war

Can someone imagine for a moment that there are alembics like the "*real*" economy and the "*virtual*" economy? 46 Concretely, the bourgeois economists are unable to understand, predict and correct the disasters of the capitalist economy. And the same is for their reformist-opportunist and leftist apostles who are careful not to say that it is simply about two classic forms of existence of capital (productive capital or living capital or even variable capital (Cv), and the dead capital or constant capital (Cc)). For Marx the relationship between these two forms of capital, what he called the organic composition of the capital (CC / CV) that generates economically the crises and politically the dictatorships, form policies, particularly virulent, of the "democratic" bourgeois dictatorship. The impossible resolution of this contradiction that leads to the trend decrease of the average rate of profit - a contradiction that can't be resolved under the reign of the monopolist capital - leads *ultimately* to the war (regional or global), as last means for destroying the means of production, of the constant fixed capital (Cc), and amount of stock of unsold goods, at the same time eliminating amount of unused productive forces (the workers turned into cannon fodder in the trenches).

The United States, an example of economic impasse

If there is no longer enough surplus value to be divided, the reason is that the capitalists can no longer to exploit at the same time employees and Western proletarians (withdraw their surplus value generated by the unpaid surplus labor, what the capitalists call the value added), even giving them a poor salary; and at the same time, in the emerging countries, to exploit workers, artisans and peasants, migrated to the cities to be 'proletarianized'. The solution chosen for the international capital is then to make disappear individuals in surplus, and to do this the wars famines, pandemics, natural disasters and euthanasia will be turned into profit. Diagram 1

Part of wages in the value added



Source: <http://les4saisons.over-blog.com/article-pourquoi-les-indignes-ont-raison-87253348.html>

The diagram 1 shows that the wages of workers in OECD countries in relation with GDP of these countries are at their lowest level since 1976. This means that the part of the economic "result", that the millions of workers of developed countries obtain for their reproduction as social class, is so weak. This has been experienced, particularly in the United States for a decade, by the category of the working poor. Those who work fifty hours a week and do not earn sufficiently to ensure the reproduction of their workforce (those for which the largest enterprise in the world, Wall Mart, organizes collections of food rather than paying its employees). Can these weakened and alienated proletarians take an interest in politics and public affairs? They are in the daily survival and it is exactly the effect expected from the rich.

The second data that provides the diagram 1 is catastrophic for the imperialist economic system. If in the past the United States and other OECD countries supported the role of consumer market of humanity, the decrease of part of wages in the national GDP means that the US and the OECD countries will no longer be able to support the role of consumer-destroyer and wasteful of goods since the consumers of developed countries have less income to be consumed. As soon as the credit for consumption will be ended up the system will collapse like in 2008 for the real estate market 47. The creditors of the Americans and Europeans have good reason to be scared.

The *United States* is no longer a major producer of goods (except for the equipment, the aviation industry, the automobile, energy and a portion of their food, and they are less and less a solvent consumer country. The US, leading economic partner of Canada, have become an oligarchy of bankers-financiers, multi-millionaire shareholders and parasitic billionaires (0.01% of the population) who live on the accumulation of immense benefits. The United States has become also a set of segments of desperate petty-bourgeois, being accelerated impoverishment, disjointed and abandoned by their de-capitalized mentors.

We specify "de-capitalized" in the sense that the piles of capital accumulated by American and European capitalist financiers are stock market speculative cards that tomorrow will evaporate at the same time in which the speculative indices will collapse in the Stock Exchange. These different segments of unbridled petty-bourgeois are increasingly cut off by the mass of employees who no longer recognize in their myths and their jumble about the "manifest destiny" of the "self-made man", the "electoral democracy" and the capitalist heaven for everyone. Cut off from this mission of drive belt and sherpa of the great masters the unmanned vassal petty bourgeois (booboo) loses all utility for his lord.

The *United States of America* has thus a huge mass of employees (90% of customers are employees), more and more poor, short of money and alienated. For the moment, this proletarian crowd suffers, is anxious, desperate, takes up to the crime to mouth, and turns his anger against herself, suicide, the religious mysticism, drugs, alcohol, unbridled sexuality, mugging and blind or series murder, street gangs, civil disobedience, social

anarchy and illegal world. This deformed mixture suffers a terrible repression by a police state more and more wild and unruly. The multiple police forces, totally disconnected from the civil society, gangs up with the organized crime and devote themselves to the abuse of the "bastards cops".

The egotism and narcissism have force by law for the states. Each one tries to pull of the way and this is so, in the midst of this anarchy, that the oligarchy remains in power between two electoral masquerades to which participate only the petty-bourgeoisie, the union aristocracy, a part of the rentiers and all politicians, both dishonest 48. And that's okay. Don't invite especially the workers for voting. Now that they have lost any illusion on the State of the rich capitalists, we have to mobilize ourselves to overturn them.

The economic, sociological, political and legal situation is almost identical in Canada with a slight interval in time and in-depth analysis, due to some national peculiarities and the effect on scale. The American subcontinent has 310 million inhabitants and Canada has a population of only 36 million.

The imperialist economy will be revived, not because will have dismantled amount of means of production, extirpated amount of productive forces (workers) and destroyed amount of goods over the nuclear war, during famine and pandemic in series, and during the natural disasters for which nothing will be done to prevent or provide aid to the martyr populations , or even for euthanasia of retirees now presented as the panacea to all the ills of humanity, but because the imperialist economic system will thus have solved its problems of excess of unproductive labor force, excess of unproductive poor persons and expensive to be maintained, as well as the shortage of markets and overabundance of the means of production that determines the inevitable decrease of the organic composition of capital and the average rate of profit because the war will be served to raise the productivity.

The war as a "solution" to the economic crisis

Be clear about it, the wars are currently localized, controlled, directed and contained, although less effectively (South Sudan, Syria, Afghanistan-Pakistan, Central Africa, Libya, Mali). By mutual agreement among the leaders of the opposing imperialist parties, not still resigned to confront each other in a great international cataclysm, the areas of wars are limited to the underdeveloped countries.

Since 1945 - end of the previous world war - there has not been a single year without a local or regional war has not been conducted, putting on field the triumphant American imperialism (for a time), and the socialist camp, which then has turned into imperialist social camp. The Soviet imperialist social bloc, collapsed in 1987, was replaced by the Chinese social-imperialism and the rising Russian imperialism, both joined in the alliance of BRICS, facing the Western imperialist camp (NATO).

More than fifty local and regional wars have marked and still mark the rapid decline of American imperialism who clings desperately to his obsolete status of first world economic

power. The United States of America remain the leading military power in the world, but they aren't longer already the first international economic power. Only the monetary fraud, accompanying the US dollar - artificially maintained in survival - allows still this declining country to battle.

Since the First World War the idea, germinated in the head of the Social Democrats, the reformists and opportunists of all kinds, is that the war was not a forced bedfellow of the capitalist method of production, and that humanity, for so long time outraged by the horrors of war, a thousand times repeated and reported, could finally breathe in the peace, if not continuous, at least prolonged and lasting.

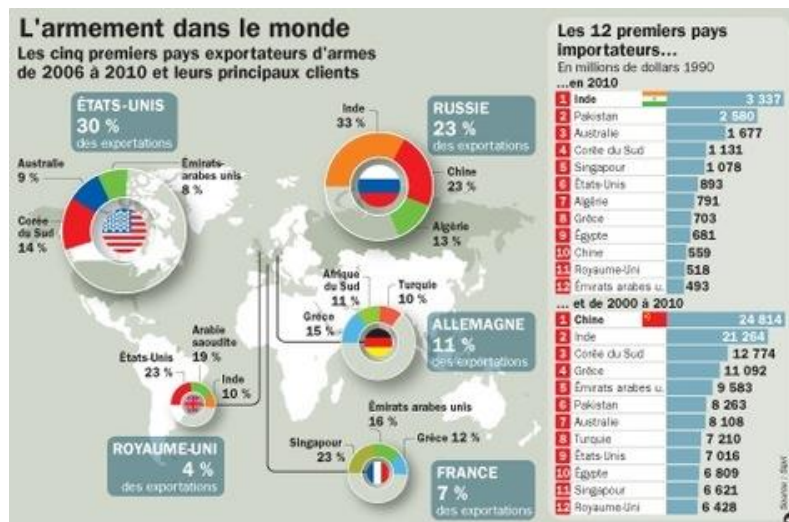
Here we will not resume all the argued schools of thought that claim that "never more" the world will suffer these mortal abominations. And every time, new mass graves come to dispel the illusions of magicians, parish priests, mullahs, iman, popes, humanists and crying lay readers engaged in the war against the war by holy water, prayers, hymns and petitions of mercies. We will discuss here only some most recent subjects of adulators of the impossible nuclear apocalypse and of "deniers" of a new deadly war on a planetary scale.

First argument of these utopian pacifists: The world war is no longer possible, since the available nuclear weapons are too powerful and would endanger both the winner and the defeated. You can believe in this or not but this was said already in the months before the Second World War. Whether they like it or not, the monopolist capitalists will be dragged into this globalized war by the inexorable laws of the modern imperialist economy.

Second argument of these makers of the "inevitable peace": The international division of labor and the distribution of the means of production (heavy industry producer of the means of production) as well as the dependence that generates this new paradigm "of universal industrial interdependence" makes unlikely if not impossible a total war between an imperialist camp against another powerful imperialist camp, holder of the largest part of the means of production of humanity. In fact, how General Motor US could command the destruction of its installations of production in the "Communist" China? Between 1939 and 1945, the American company IBM has seen to bomb its industrial equipment installed in Germany. Equally other American industrial companies. The destruction of the means of production allows to lighten the markets and to reintroduce the profitable process of production.

Figure 4

Exporters and importers of weapons in the world (2006-2010)



Source: <http://www.la-croix.com/Actualite/Monde/Les-depenses-militaires-ontencore-augmente-en-2010- EP -2011-06-07-622522>

Although these arguments seem to be logical and reasonable, lose their importance in front of the history and the current events. Unfortunately we have to accept the evidence, the monopolist capitalists have always sworn that they wanted the peace at any cost, while prepared the war at any cost. The government spending for equipment, rising exponentially, show that the world direct towards a new international conflict. The leading research on the development of lethal nuclear weapons, called with "limited and localized effects", and the recent overturning of US policy regarding the European nuclear shield in front of Euro-Asian field, as well as the decision of the American president to move its fleets and its military bases toward the Asia-Pacific show in reason that the big monopolist capital prepares a great battle from which only one field will win (temporarily) in terms of world domination over the resources, in terms of exploitation of the productive forces and dispossession of the surplus value and profits, ensuring the expanded reproduction of the modern method of imperialist production. 49.

The only solution to the economic crisis

The revolution will prevent the war or the war will put in motion the working revolution. That is to say the working class will decide to fulfill its historic mission which is to repudiate the old degenerated method of imperialist production, which made the services that it could, but is no longer able to overcome its internal contradictions and to ensure the evolution of mankind. The workers will have to replace it with a new planning method of production, a new method of ownership and a new organized company ensuring the development in accordance with the natural environment.

We sincerely believe, given the smashed condition of the organizations of disorganized labor movement throughout the world, infiltrated by the quotas of galvanized petty-bourgeois and given the degree of alienation of the working class and popular forces, after the multiple reformist, opportunist, revisionist and leftist betrayals that unfortunately once more time is the war that ends the revolution and not the inverse 50.

The workers of the whole world and their allies, employees and subordinate of each sector and each means, will have to descend in the bottom of hell of the most deadly thermonuclear war before making the choice among the thousands petty-bourgeois school of thought (social class of which is the profession of thought of many complex theories) to get out from this indigestible magma the scientific theory of socialist revolution. Only the revolutionary war will be able to put an end to the crowns of wars of extermination and dispossession, putting an end to the exploitation of man by man.

THE MODERN IMPERIALIST WEST

The modern imperialist West on economic, political and ideological plan is composed by the *United States of America, Canada, Australia and New Zealand, Japan, Germany and Austria, the United Kingdom and Ireland, France, Belgium, Luxembourg, the Netherlands, Italy, Spain, Portugal, Greece, Switzerland* and the Scandinavian countries, *Sweden, Norway, Denmark, Iceland* and finally by *Israel*. In 2013, these 23 countries (out of 203 countries in the world) gathered 921 million inhabitants (14% of the actual world); grouped 716 of 1455 billionaires on Earth; piled up 237 of the 300 largest world monopolist corporations; totaling 41.645 trillion dollars of GDP (58% of the world total in 2012). These 23 countries have made 1.08 trillion dollars in military spending (65% of the world total in 2010). Their average annual income is between \$ 23,000 and \$ 115,000 with an average of \$ 52,000 per capita. In contrast, between 1.3 and 2 billion people in the world live below the extreme poverty with less than \$ 2 a day.

Source: <http://www.inegalites.fr/spip.php?article381>

WELFARE STATE

The **welfare state**, after having supported the development of the capitalist economy in every Western imperialist countries, survived for a time to the inter-imperialist competition between the Atlantic bloc and the social imperialist Soviet bloc, then between the Atlantic alliance and the BRICS. The **welfare state**, yesterday still "generous" of its offerings for social workers, unemployed, NGO, government employees, the grateful aristocrat workers and helpful petty-bourgeois, today see to have the role of channeling the largest part of the income of State directly to the pockets of billionaires, the brokers and the financial monopolist capital for trying to block the trend decline of the average rate of profit, performance, however, impossible to be achieved.

The **welfare state**, ephemeral and so loved, is now sacrificed, its social programs, what the reformers call the "social gains" are liquidated to release credits to subsidize the

private enterprise and pay back the rentiers and bankers. With the financial and political measures called "neoliberal", the state of the rich imperialists favors the development of its national section of the great family of international capitalists. This state does not want or can be used to stop the financial monopolist capitalists who directs and commands it. The national bourgeois **welfare state** of the rich can't favor the employees of his own nation without incurring on retaliatory measures of the para-national organisms of world imperialist governance. The phase of the class struggle called "national" to save the **welfare state** is accomplished.

NOTES

- (1) <http://www.latribune.fr/actualites/economie/international/20140124trib000811681/quisont-ces-85-milliardaires-dont-la-fortune-equivaut-a-celle-de-la-moitie-de-l-humanite.html>
- (2) http://fr.wikipedia.org/wiki/Paradis_fiscal#Liste_grise
- (3) <http://www.legrandsoir.info/montages-financiers-des-entreprises-quand-les-etatsperdent-le-controle.html>
- 4) Everyone will have understood that the sobs of the Quebecois supporters of the sovereignty that aim to separate Quebec from the rest of Canada for the so-called building of borders and tariff barriers around a capitalist Quebec, fully integrated with the over-continental trade alliances of the system of global and international modern imperialist political economy, represents a reactionary rearguard battle without any concern for the Quebecois and Canadian internationalized working class.
<http://www.legrandsoir.info/montages-financiers-des-entreprises-quand-les-etats-perdentle-controle.html>
- (5) http://fr.wikipedia.org/wiki/List_of_international_organizations
- (6) http://www.lapresse.ca/actualites/national/201304/04/01-4637782-paradis-fiscaux-46-quebecois-sont-mis-en-cause.php#Scene_1 e <http://www.rts.ch/video/info/journal-19h30/4800517-offshore-leaks-l-analyse-de-myret-zaki-redactrice-en-chef-adjointe-dumagazine-bilan.html>
- (7) http://fr.wikipedia.org/wiki/Paradis_fiscal

(8) Paul Lafargue (1880). The right to laziness

[.http://fr.wikipedia.org/wiki/Le_Droit_%C3%A0_la_paresse](http://fr.wikipedia.org/wiki/Le_Droit_%C3%A0_la_paresse)

(9) <http://www.iris-recherche.qc.ca/blogue/les-taux-dimposition-des-entreprises-au-quebec>

(10) The family of billionaires Bombardiere-Beaudoin, through their holding company, the Group Beaudier, will receive \$ 350 million of Quebecois state help, to build a super cement plant in Port-Daniel in Gaspésie in Quebec

<http://affaires.lapresse.ca/economie/quebec/201401/29/01-4733452- quebec-injectera-350-millions-a-port-daniel.php>

(11) <http://www.les7duquebec.com/7-au-front/surabondance-de-capitauxtoxiques-dans-les-pays-imperialistes/>

(12) http://fr.wikipedia.org/wiki/Crise_%C3%A9conomique_mondiale_des_ann%C3%A9es_2008_et_suivantes

(13) Securitization is a financial technique that consists in transferring to investors so-called financial assets such as credits (ie invoices unpaid, or loans outstanding), transforming these credits, from the passage through a special company in financial securities, issued on stock market. The sulfurous financial product is sold to stock exchange speculators, as the Deposits and Loans Fund of Québec who owned billions of dollars of these values rather than risky

Source: <http://fr.wikipedia.org/wiki/Titrisation>

(14) <http://blogs.mediapart.fr/blog/marie-anne-kraft/280309/bilan-financiermondial-et-lecons-de-la-crise>

(15) Éric Toussaint (2014). How banks and governments destroy the guarantees.
<http://www.legrandsoir.info/comment-les-banques-et-lesgouvernants-detruisent-les-gardefous.html>

(16) <http://affaires.lapresse.ca/economie/etats-unis/201401/08/01-4726826-e-u-le-credit-ala-consommation-ralentit-sa-hausse.php>

(17) <http://www.statcan.gc.ca/tables-tableaux/sum-som/l02/cst01/fin20-fra.htm>

(18) <http://www.radio-canada.ca/nouvelles/Economie/2013/12/13/002- endettement-dette-canadiens.shtml>

(19) Alain Souchon. Crowd sentimental. http://www.youtube.com/watch?v=V_SNDGwwGFM

(20) <http://argent.canoe.ca/nouvelles/quebec-reporte-lequilibre-budgetaire- 28112013>

(21) http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=2&file=/E_12_00001/E12_00001.html

(22) <http://www.les7duquebec.com/trouvailles/le-plus-grand-scandale-demanipulation-de-prix-de-tous-les-temps/>

- (23) <http://www.les7duquebec.com/actualites-des-7/jacques-parizeau-de-larhetorique-au-sophisme/>
- (24) <http://economieamericaine.blog.lemonde.fr/2012/10/26/pourquoi-lindustrieamericaine-se-desengage-de-leurope/>
- (25) Paul Craig Roberts <http://www.vigile.net/L-effondrement-de-l-economie>
- (26) <http://canempechepasnicolas.over-blog.com/article-le-pdg-de-psa-peugeotcitroen-annonce-la-fermeture-d-usines-en-europe-110604349.html>
- (27) Yield of 13% for the Deposits and Loans Fund in 2013 due to yields of 22.9% on the American stock market (highly speculative and volatile).
http://quebec.huffingtonpost.ca/2014/02/26/rendement-caissedepot-placement-quebec-2013_n_4858295.html
- (28) <http://les7duquebec.org/7-au-front/afrique-le-continent-spolier/>
- (29) The economist Michael Pettis has simply discovered after the others that China had become the workshop of the evolved world and that had adopted the strategy of taking possession of all markets <http://www.les7duquebec.com/7-de-garde-2/le-rebalancement-de-leconomie-chinoise/>
- (30) The failure of pension schemes <http://www.sauvegarderetraites.org/article-retraite.php?n=258>
- (31) The expanded reproduction of the labor force of a worker includes what is personally necessary to live, to be cared for, educated, fun and live his retirement in safety, but also to reproduce, procreate, make grow and educate his children, look after and prepare them to become wage slaves.
- (32) <http://www.agoravox.fr/actualites/economie/article/la-polemique-sur-les-35-heures-125075>
- (33) http://fr.wikipedia.org/wiki/Liste_des_milliardaires_du_monde_en_2012
- (34) http://fr.wikipedia.org/wiki/Convention_de_Schengen e Vincent Gouysse (2012) 2011-2012 : Reprise de la crise. http://www.marxisme.fr/reprise_de_la_crise.htm La Chine
<http://www.les7duquebec.com/7-de-garde-2/le-rebalancement-deleconomie-chinoise/>
- (35) <http://www.journaldemontreal.com/2014/02/09/ca-prend-un-remede-de-cheval>
- (36) J. Aubron. N. Ménigon. J.-M. Rouillan. R. Schleicher (2001) The Precarious Proletarian, notes and reflections on the new class subject. Paris. Acratie
- (37) http://www.agoravox.fr/actualites/economie/article/industria_liser-la-grece-et-l-111497
- (38) K. Marx Le Capital Vol. 1, tome 1, page 75.

(39) During the postwar years, several factors have played in favor of the working class. Like the weakening of the bourgeoisie following the Fascist period that divided the forces of the bourgeoisie torn between the pseudo-democratic option and the options openly fascist - opposition that benefited in the working and popular organizations, benefit that the different forms of reformism took charge of selling and liquidating. There was also the desire of the bourgeoisie to eliminate the influence of communism. We believe, however, that "the State Welfare" concerned only a few innovative imperialist countries (thirty Western states at most, Japan, which is part of the zone of Western economic organization).

(40) http://fr.wikipedia.org/wiki/Accords_de_Bretton_Woods

(41) xli <http://www.legrandsoir.info/du-printemps-occidental-mai-68-au-printemps-devoye-mai-2008.html> e <http://www.agoravox.fr/actualites/politique/article/mai-2008-le-printempsdevoye-2e-127408>

(42) <http://fr.wikipedia.org/wiki/%C3%89tat-providence>

(43) <http://fr.wikipedia.org/wiki/N%C3%A9olib%C3%A9ralisme>

(44) <http://fr.wikipedia.org/wiki/Hydro-Qu%C3%A9bec>

(45) <http://fr.wikipedia.org/wiki/Hydro-Qu%C3%A9bec>

(46) <http://www.oulala.info/2013/11/le-fonctionnement-du-mode-de-production-capitaliste-2/>

(47) The part of wages in the value added of companies (Germany, Sweden, USA, Japan, UK, Denmark, Italy, Spain, France, Holland, Austria, Belgium, Finland, Greece and Ireland). Countries of the OECD.

(48) <http://www.mondialisation.ca/usa-10-chiffres-qui-disent-tout/5310915>

(49) Europe wants US drones. 21.05.2013. <http://www.oulala.info/2013/05/leurope-fait-pression-sur-les-etats-unis-pour-partager-lesdrones-pas-pour-les-supprimer/> New US nuclear bombs in Europe for the F-35. 24.04.2013. <http://www.mondialisation.ca/nouvelles-bombes-nucleairesetasiennes-en-europe-pour-les-f-35/5332695>

(50) The Pentagon says that the wars will continue for years. 25.05.2013. <http://www.legrandsoir.info/le-pentagone-dit-au-senat-americain-que-les-guerres-vontcontinuer-durant-des-dizaines-d-annees.html>

* This article was published on the webzine Les 7 du Québec in March 2014
<http://www.les7duquebec.com/7-au-front/la-crise-economique-mondiale-etlausterite-premiere-partie/> <http://www.les7duquebec.com/7-au-front/crise-economique-et-austerite-2epartie/>

** This article was published on the webzine Les 7 du Québec in March 2014
<http://www.les7duquebec.com/7-au-front/les-entreprises-americainesdelocalisent-aux-etats-unis/>

*** This article was published on the webzine Les 7 du Québec in February 2014

<http://www.les7duquebec.com/7-au-front/la-spirale-infernale-de-la-capitalisation-bidon/>

**** This article was published on the webzine Les 7 du Québec in February 2014

<http://www.les7duquebec.com/7-au-front/la-productivite-des-ouvriers-nest-pas-suffisante/>

***** This article was published on the webzine Les 7 du Québec in February 2014

<http://www.les7duquebec.com/7-au-front/mondialisation-pseudo-liberale/>