

# **Shifting Focus**

**Organizing for Revolution, Not Crisis Avoidance (Part 1)**

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November 1, 2021

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Since the meteoric rise of Donald J. Trump in 2015, significant numbers of liberals, progressives, social democrats and leftists have been fixated on his politics, policies, and personality and what they portend for the future of liberal democracy. This built on a fixation with the elections of right wing strongmen like Jair Bolsonaro, Rodrigo Duterte, Recep Erdoğan, Boris Johnson, Narendra Modi and Viktor Orban to name a few. The rise of the “strong men” has been interpreted by many on the left throughout the world as a sign that the so-called “age of liberal democracy” is coming to an end and that fascism is ascendant. In response, we are being widely implored by these forces to concentrate our energy on “defending democracy”.

## **Fighting to Save Democracy Under Capitalism is a Dead End**

There are many deeply problematic and dangerous presumptions embedded in this “defend democracy” orientation. For one, it says and does nothing for the vast majority of humanity that have never experienced the alleged benefits of bourgeois democracy. And for another, it presumes that bourgeois democracy is the antidote to fascism, rather than its enabling twin.

Fascism is one of the many variants of governance in the capitalist-world system. It cannot be fought with the tools supplied by other forms of capitalist rule. Over the course of its nearly 500 year history, capitalism has adapted its governance functions based on its need to secure natural resources, confront rivals and effectively and efficiently manage and control labor. The main variants of capital governance have been mercantilism, social democracy, neo-liberalism and fascism. We will explore these variants later in this paper.

This one-sided political approach incorrectly assumes that there are normative political relations and a normative system of governance within the capitalist world-system. It incorrectly assumes that neoliberalism, the variant that has dominated the capitalist world-system since the 1980s, is the norm rather than one form of capital accumulation and social relations. At best this approach embraces an alternative social democratic form of capitalist governance as its goal..

In fact there is no set of normative political relations within the capitalist world-system. Capitalism emerged out of feudal monarchies, expanded under settler-colonial systems of chattel slavery, and matured by propelling the violent expansion of several competing empires to bring the entire planet under its domination. The exploitative dynamics of the capitalist world-system necessitate a range of differentiated political and social relations in order to create the conditions of deprivation and unequal exchange that it depends upon. These economic, social, and governmental relations range from structures of chattel slavery dominated by autocratic landowners to social democracies dominated by highly regulated monopoly enterprises, both privately and publicly owned.

This orientation perpetuates the myth of “democratic capitalism”, a fallacy that posits representational democracy as an almost inevitable by-product of capitalism, and that in order to transform the capitalist system we have to rely upon the limited tools of bourgeois democracy to get us there.

The narrow focus on the political advances of the “far” right obscures the concrete analysis of the current moment. It ignores or denies how far and how fast liberals and centrists throughout the world have moved to the right over the past 50 years, enabling the neoliberal variant of bourgeois governance we are now supposed to accept in the name of fighting fascism.

Deeper and more critical still, this overemphasis on the political developments of the far right prevents vital sections of the left from properly seeing and engaging the deep structural crisis of the capitalist world-system, which is the dynamic driving the comprehensive march to the right.

This is not an argument to avoid or ignore fighting the further advance of fascistic authoritarianism. It is a critique of a view that restricts people to fighting against certain variants of capitalist governance to the exclusion of fighting against the capitalist system itself.

The narrow “defend democracy” line leads to nothing but dead ends and puts the left in a perilous position, as history plainly demonstrates time and time again. Relying on a popular front with one section of capital against another does not address the critical ideological and material questions that the left throughout the world must address in order to be effective in the struggle against capitalism-imperialism, in all of its forms of governance. Advocates of “save democracy” or for “critical engagement with electoral politics” argue that it is necessary to maintain conditions that enable people to fight the injustice of capitalism. Time and again we have seen people with this view devoured by capitalist ideology.

In essence the call for the defense of bourgeois democracy argues for collaboration with sections of the ruling class to maintain privileges largely enjoyed by a very small percentage of the world’s population. The claim that the goal is to spread democracy around the world resonates with the stated policies of the Western ruling class, particularly its US faction, which in practice are geared to enforcing compliance by countries of the global south whether by the ballot or the bullet.

## **The Adaptability of Capitalism**

Capitalism describes relationships between people, specifically their relationship to the means of production. Political structures flow from and enforce these economic relationships. Without a clear understanding of this reality, it will be impossible to eradicate the exploitative and oppressive relationships that characterize the capitalist world system. Those relationships are the defining feature of the capitalist or the commodity mode of production. These relationships determine the very nature of society

Over the course of three centuries of trial and error, between the 1500’s and 1800’s, the capitalist-class constructed a world economic system that is structured through a hierarchy of national-states, carved from the colonial empires of the Western European states. This structure mediates how the capitalist class extracts commodity producing labor from society and resources from the planet to serve the objective of accumulating profit i.e surplus value.

Imperialism (the globalization of capitalist relationships) has been able to entrap working people around the world in relations of production that Marx described as “wage slavery”. The vast majority of the people on the planet are forced to sell their labor power in the marketplace or are reduced to scratching for survival when their labor power is not required. Through financial manipulation, (loans / debt ) and bribes, it is able to recruit local compradors in the countries of Asia, Africa and Latin America to serve as willing allies, paid henchmen, to enforce cheap labor regimes and access to natural resources on behalf of international capital. These mechanisms are backed by military intervention where perceived necessary.

In the face of economic or social crisis, capitalism has shown a certain ability to develop new forms of ensuring the flow of profit. For example, in the wake of the Second Great Inter-

Imperialist War, i.e. World War II, the U.S. emerged as the dominant world power and led the establishment of global institutions of control. The UN, the World Bank, the International Monetary Fund and later the World Trade Organization were formed to regulate economic and political relationships between imperialist countries and control the development of colonial and formerly colonial countries. In a world devastated and disrupted by inter-imperialist war, these and other institutions enabled the consolidation of massive economic and political power by a few countries, primarily the U.S., over the natural resources and human labor of countries across the planet. It enabled forced austerity on the working class, the privatization of natural resources. In fact, it has meant the immiseration of billions of people.

## **The Dynamics of Capital Make The Illusions of Democracy Just That — Illusions.**

Despite its ability to adapt and shift forms of governance, there are constant material and economic features of the capitalist world-system, the most fundamental of which is the unending quest to realize surplus value. Surplus value is what the owners of the means of production steal from the labor of the working class. It is the difference between the capitalists' cost of production and the price they can get for these commodities. The cost includes the price of labor, the raw materials as well as land and the physical production sites. Under capitalist relations of production, labor itself is made a commodity, bought in the marketplace for the cheapest price possible. The bulk of the new value created by labor is taken by the owners of the means of production. The competition among capitalists is the dynamic that drives both the necessity for production at the lowest possible cost and monopolization to curb competition.

The competitive need to maximize profit emerged early in Western Europe's conquest and colonization of the world, establishing methods for the extraction of raw materials and exploitation of labor — without regard for future generations. It's what propelled the trade in human cargo from Africa, Asia and the Americas to produce cash crops and other commodities. And it's what propelled the imperialist powers of Europe to divide the world and its peoples between them in the 19<sup>th</sup> century and in the 20<sup>th</sup> to wage several globe spanning wars among themselves to settle disputes over who would control critical lands, natural resources, trading routes, labor pools, and markets. This drive is what also compelled the bourgeoisie to transform the governance systems of the world to suit their own interests through the acts of conquest, colonial subjugation, and imperialist domination that define the last 500 plus years since 1492. This drive to accumulate and realize surplus value (profit) is what capitalism is all about. It is compelled by the unending competition between capitalists and capitalist countries. The subjugation of labor and the occupation and theft of other peoples' lands flows from the very nature of capital which must break down all boundaries to its own expansion.

Capital is not a mere "thing". Fundamentally it refers to the process of the production and circulation of commodities. Money becomes capital when it is invested in production of goods or services to exchange for a price above the cost of production. The purpose of capitalist production and distribution is to increase capital. Part of the surplus value has to be reinvested in more natural resources and labor power.

The capitalist world-system produces uneven development both domestically and between geographic areas and an intentionally unbalanced division of labor within nation-states, between

nations-states, and between continental regions. This has led to the construction of core or imperialist countries, semi-peripheral countries, and peripheral countries and sacrifice zones. The core countries are where higher skill, capital-intensive production is primarily concentrated, while the semi-periphery, periphery and sacrifice zones are where raw materials are extracted and where low-skilled, labor intensive, and toxic production are concentrated. In order to ensure the reserves of low wage workers and cheap resources, the capitalist world-system produces different types of governance systems. These ensure maximum compliance for the chaotic, anarchistic mode of production that is capitalism.

The form of governance that dominates the core countries of the capitalist world-system, and which currently dominates the focus of the left, is bourgeois democracy. Bourgeois democracy differs profoundly from other variants of democracy found in indigenous and small-scale societies in that it is premised on the rule of the capitalist class through the instrument of the state, which is designed to protect the so-called “sanctity” of private property, encircle and commodify the commons (the earth’s natural resources), and regulate and constrain the circulation of public goods. This “protection” is codified by legal frameworks that are designed to limit what society at large can deliberate and decide on by separating economic deliberations from social or political deliberations. Economic decisions are restricted to the private realm, determined by the market. Since property is held sacrosanct, economic activities can only be negotiated by individuals, i.e. sellers and buyers, including employers and employees, who are considered to be “equals under the law”. This illusory equality is enshrined in bourgeois democracies.

Those making the assertion that the era of bourgeois democracy is coming to an end presume that bourgeois democracy is a global norm. In reality, bourgeois democracy is a luxury feature of the capitalist world-system, one almost exclusively reserved for the core sectors of the system, i.e. the imperialist nation-states of Western Europe, North America, Australia and Japan (with a few other exceptions). This social form is parasitic. It is a by-product of the excess wealth the core zones extract from the peripheral areas of the world-capitalist system through colonial and imperial subjugation, resource expropriation, and widespread practices of super-exploitation of the global south’s labor sources.

Historically, in order to forestall the spread of revolution in the core countries following the French (1789 – 1799) and Haitian (1791 – 1804) revolutions, the ruling class forces of these societies have since mastered an array of methods to buy-off critical sectors of the working class and the petit bourgeoisie, and to divide and/or discipline other sectors of the working class and the oppressed.

## **Concessions in the Wake of Revolutions**

Unlike the inaccurately named “revolution” in the 13 British colonies in North America, which was fundamentally a contest between fractured and competing bourgeois forces over the spoils of the colonies and chattel slavery, the French and Haitian revolutions had clear and undisputable class, anti-colonial, and anti-racist content. The French revolution led by the emerging bourgeoisie, attacked the power of the feudal monarchy and raised the infectious and influential slogan of “liberty, fraternity and equality”. The Haitian revolution, the first real challenge to the European settler-colonial empires, was an uprising of enslaved Africans that drove out the French colonizers. It also undermined the capitalist system of chattel slavery and temporarily

weakened the Spanish, British, and US colonial drives. It created a refuge for revolutionaries from around the world and enabled bourgeois anti-colonial revolutionaries like Simon Bolivar in Latin America. Both of these revolutions inspired millions of proletarians, peasants, and enslaved people throughout Europe and its colonial possessions and contact zones. In addition to being sources of inspiration, these revolutions provided living examples that were taken up by revolutionaries throughout the Americas, leading to the independence of numerous Latin American nations between 1811 – 1826.

Bourgeois society is the product of the social practices that enable the rule of the capitalist class. It is a form of social organization that evolved through the class struggles in Western Europe between the 14<sup>th</sup> through the 17<sup>th</sup> centuries. It was forcefully imposed on most of the rest of the world via European colonization and imperial domination between the 15<sup>th</sup> and 19<sup>th</sup> centuries. As the bourgeoisie gradually perfected this system, they designed it to perpetuate their rule by creating processes to manufacture consent for capital's domination of society by providing the subjects of its rule, i.e. the working, lumpen, and peasant classes, with a limited range of consumer choices and political options that restrict social activity primarily to securing the limited number of civil rights and civil liberties the bourgeois system can tolerate.

One of the key buy-off methods perfected by the bourgeoisie in the wake of the revolutions of the late 18<sup>th</sup> and early 19<sup>th</sup> centuries was the granting the “franchise”, or the right to vote to certain members of society, i.e. adult white men in Western Europe and the U.S. The bourgeoisie did not grant this right out of the kindness of their hearts, but to quell the massive eruptions of the working class and oppressed peoples, as occurred, for example, in the US in the late 1820's and central Europe in 1840's and 1850's. This process of concession in response to upheaval continued well into the 20<sup>th</sup> century, including the granting of national independence to most of the formerly colonized world by 1994. This right was not granted to the laboring classes to enable any fundamental shift in relations of power or alter the fundamental relations of production, but to enlist sectors of society in the “peaceful” and allegedly negotiated management of the contradictions of these societies. They were particularly aimed at those segments of the working class that could be bribed or pacified and the corrupted elements of the oppressed peoples and nations contained within these social orders. The provision of this right has been key in the construction of hegemonic consent in these societies, fostering deep illusions in the efficacy of electoral politics and bourgeois democracy overall.

What the voting franchise in bourgeois societies does not permit is an alteration of the fundamental DNA of the capitalist system – i.e. private property, wage-labor, commodity production, and market exchange. At best, what voters have been able to do in a number of limited cases is constrain certain dimensions of capitalist reproduction, usually in the form of limiting working hours, increasing wages, improving working conditions, increasing corporate taxes, taxes on wealth, and redistributing portions of the social surplus to working class people.

It is critical to note that not all bourgeois, or capitalist societies, are democracies. In fact, the vast majority of the national-states that structure the bourgeois world aren't. The majority of national states are relics of European colonialism, with the majority ruled either by the settler-colonial descendants of these European colonial projects or by native bourgeois elites forged and fashioned by these projects. The forms of governance that dominate the majority of these societies are dictatorships, oligarchies, autocracies, theocracies, and monarchies. All of them serve the needs of capitalism, and most have been living hells for the greater part of 400 years in the Western Hemisphere and 250 years in Africa, Asia, and Oceania. The fascism that so many in

the Western world now fear has been the norm for the vast majority of the world's indigenous peoples, the peasantry, and the proletariat over this expanse of time. Given this reality, the fixation on defending the "gains" of the limited number of bourgeois democracies gravely misses the mark. This focus does not speak to the conditions faced by the vast majority of the working class, nor does it point us in the direction of how to forge proletarian unity on the global scale needed to enable the working class to emancipate itself from the chains of wage slavery. This is even more emphatically true as capitalist production and the intensified exploitation of labor shifts to the countries of the "global south". The obsession with defending "democratic rights" obscures the parasitic nature of imperialism and the price the international working class pays for "rights" that benefit some demographics of a relatively few countries.

Stemming from the same erroneous arguments that the door is closing on bourgeois democracy, many left forces are presuming that the relations embedded within the neoliberal variant of capitalism are also eroding and degenerating into something even more oppressive and exploitative. The measuring stick used for this assessment are the material standards experienced by sections of the working class residing in the imperialist nation-states. Without question, living standards and wages for workers in most of the OECD (the Organization of Economic Cooperation and Development) countries have steadily declined since the 1980's. However, even these declining standards are still incomparably higher than those of workers in the third or developing world overall. Rather than just looking narrowly at standards for the minority of workers located within the imperialist core zones, we should be looking at and addressing the relations and standards impacting the working class as a whole, the vast majority of whom are increasingly located in the global south. When we look at it through this lens, we quickly see that the strategic impositions that capital unleashed on workers in the imperialist cores to "balance budgets", restore profits, etc., were in fact an effort to reduce conditions for all workers to the statistical "third world" median. Neoliberalism was and is capital's response to the economic crisis that gripped the capitalist world-system in the late 1960's, 1970's, and early 1980's. It did not assume dominance over the Keynesian or social democratic model of capital accumulation until the early 1980's, following the Volcker shock to the world's financial markets and the aggressive policy impositions of the Reagan-Thatcher alliance that were imposed first in their respective countries, and then in all of the institutions of the Bretton Woods structure of international economic regulation — i.e. the World Bank, International Monetary Fund, and the World Trade Organization. For the nations and peoples of the global south, the introduction of neoliberalism as a "new" strategy of accumulation simply made already deplorable conditions worse.

#### Capitalism's Constraints

The fact of the matter is the capitalist system is in deep systemic crisis, and has been so since the late 1960's. The system is fracturing under the weight of its own contradictions. Here are four of the systemic contradictions producing this fracture:

### **The Falling Rate of Profit.**

Marx demonstrated that as capitalist production develops and advances, competition and the need to secure greater productivity from workers drives the adoption of more productive, labor-saving technology and techniques that replace workers with machines. When labor-saving techniques are introduced, more of each dollar of capital expended in production is invested in machinery and other tools of production, while less is used to hire workers. But the increase in



productivity does not cause new value to be created. According to Marx it is workers' living labor that adds all value to commodities (whether goods or services), and the exchange value of a commodity in the marketplace is determined by the socially necessary (average) labor time required to produce it. Every average hour of labor required to produce a specific commodity yields the same amount of value, independent of any variations in productivity from technological advances.

Since technological innovation decreases the socially necessary (average) labor time required, it decreases the value of the commodity. The same amount of value is spread out among more items, so the increase in productivity causes the values of individual items to decline. As things can be produced more cheaply, and because they can be produced more cheaply, their prices tend to fall. Due to competition, companies must lower their prices when production costs decline. If they don't, they risk a significant loss of market share or even bankruptcy when competitors cut their prices in response to reduced production costs. As a result, the amount of surplus value (profit) created per dollar of capital invested, the rate of profit, necessarily falls as well. The reality is that productivity increases under capitalism produce a tendency for the general rate of profit to fall.

Since the 1960s and more intensely since the 1990's, we have witnessed capital's steady incorporation of automation, computerization, and digitization into the commodities production process. The mass introduction of containerization, computer numeric control (CNC) production, and digitization have displaced millions of workers from the global labor market. And with the introduction of the internet and cell phone technology, etc., there are hardly any people left on Earth who aren't being directly impacted by this rapid technological change

But capital's ability to reproduce itself and expand, depends on the accumulation of surplus value, a portion of which must be reinvested in means of production and labor. In more stable periods of capital accumulation, the crisis of realizing profits which is endemic to capitalism is moderated. But the general tendency of decline in the rate of profit, or accumulation of surplus value, forces efforts to bridge the gap between needed and actual rate of profit through extreme measures. Some of the extreme measures capital employs to reproduce itself include the deployment of vicious social control strategies like neoliberalism, which call for austerity and the privatization of social goods, or fascism which calls for political terror. Both of these strategies are designed to discipline labor and make it more compliant, drive down wages, and enable the plunder of natural resources more intensely and efficiently in order to restore profitability.

## **Expansion Limitations and Underconsumption**

As Marx points out "*a society can no more cease to produce than it can cease to consume. When viewed, therefore, as a connected whole, and as flowing with incessant renewal, any social process of production is, at the same time, a process of reproduction.*" Capitalist production is fueled by profits derived from previous production cycles *and* by money advanced by banks and other institutions of finance capital, i.e. loans that must be repaid with interest. Competition and debt are factors explaining why capitalism requires constant growth in order to survive. Capital's growth imperative also requires continuous, unfettered access to land and natural resources. Mining, lumber harvesting, aquifer tapping, river damming, etc. are crucial to production as land is for agricultural, craft or industrial production.

Human labor is the transformative element in this process, whether to extract resources from the earth or to transform those resources and materials into finished goods that can be sold as commodities in the marketplace. Commodity production requires the exploitation of social labor, i.e. the labor or work of groups of people. Exploitation starts by forcing sections of society into relationships that require them to work for a wage in order to survive, and by removing them from embedded relationships within nature and social groups fashioned on roles of reciprocal exchange that ensure individual needs. Once people are situated in wage-labor relations, their exploitation intensifies through the undervaluing of labor power and labor output by their employers selling the finished goods they produce for more than what the workers are compensated for. Further, workers who sell their labor power for a wage are cut off, or alienated, from the products they produce. They must go to the marketplace and purchase with their wages that which, as a body of workers, they have produced.

Marx described this reality in the 19<sup>th</sup> century. He also spoke to the essential role that the theft of the land of indigenous peoples and the enslavement of Africans played in the development of the capitalist production process. Millions of essentially unpaid laborers who actually underwrote and enabled the industrial revolution.

In the later 20<sup>th</sup> and 21<sup>st</sup> centuries capitalist production (and reproduction) has been globalized, driven by competition for markets, land, natural resources and ever cheaper labor. Accelerating in the 1970s the U.S. and other Western countries increasingly moved production to former colonized countries in Asia, Africa and Latin America. Globalization of labor joined technological innovation as means of cheapening labor costs.

But in order for commodities markets to function, there must be enough consumers with sufficient disposable income (cash or credit) to purchase the goods. And here is the problem. While the number of people on the planet is steadily increasing, there aren't enough people with sufficient income to purchase the vast array of commodities that the capitalist system is currently producing. This is in spite of the fact that in the 1980's and 90's China was fully reintegrated into the capitalist world-system, along with the nations of the former Soviet Union and the Eastern European Bloc .

With the exception of China, all of these countries reintegrated into the capitalist world-system with tremendous debts. These debts were used to impose low (i.e. poverty) wages and other forms of austerity on people, which lowered their real purchasing power and ability to consume.

At the same time, the effort to open new markets is limited by the political dynamics of competition between capitalists, states, and non-state actors contending for monopoly control over the precious and rapidly declining natural resources of the Earth. A good example of this is the second imperialist scramble between the U.S. with its allies and China to control the resources of Africa (physical and human). This scramble manifests in intense competition for investment opportunities. China has its "One Belt, One Road (a new "silk road") African initiative. The U.S. & allies have private investment and the World Bank and IMF. And then there are the land grabs by the likes of Saudi Arabia, the Gulf States, China, India or South Korea for food crop production exported back to home country markets. Or land taken for unprecedented military build ups like the U.S.'s AFRICOM.

One result can be seen in the numerous armed conflicts raging throughout the continent. All of these competitive factors hinder capital's ability to penetrate, expand, and realize a return on investment in these areas, limiting its ability to reproduce itself. Since the early 1990's there are virtually no more lands and peoples on Earth that aren't directly or indirectly ensnared by the

capitalist world-system (including countries like North Korea, Cuba, Vietnam, etc.). In this sense, the capitalist system has reached the limit of its earthly geographic expansion.

### **The evisceration of the “capital-commodity-capital” cycle**

Capital’s increasingly limited ability to reproduce itself has only intensified since the financial crash of 2008. Since the crash governments throughout the world have imposed severe austerity measures on the working class to offset the debts incurred in the financial markets. Corporations also implemented huge layoffs and repressed wages. The result was a massive drop in global consumer demand, particularly in North America and Europe.

Consumption is required for the realization of the labor created profit in the commodities produced. While consumption was falling drastically short after the financial crash, the central banks of the G7 nations along with the EU poured billions of dollars, primarily through quantitative easing (i.e. printing money) and no-interest loans, into the financial markets and the multinational corporations they deemed strategic in the effort to prop up and stabilize the global economy and the roles of their national economies within it.

The stated expectations of the central banks and central governments was that all of this liquidity would be reinvested into new productive facilities and development projects by the corporate recipients. However, due in part to low consumer demand, corporations invested these funds into massive stock buy-back schemes to prop up the financial value of their corporations. This practice has produced record highs in the stock and bond markets that are divorced from these corporations’ direct profit earnings, and the overall movement of the “real” economy rooted in the production and consumption of material goods and services. In effect, the forces of finance capital are eliminating the “capital-commodity-capital” cycle and reducing it into a “capital-capital” cycle.

This dynamic of chronic underconsumption and gross financialization, through the new “capital-capital” cycle of accumulation, has been exacerbated by the deep contraction of the global economy stemming from the SARS COVID-19 pandemic. This dynamic cannot persist for long, which is clear as day to all the governments of the world and the major transnational corporations.

### **Environmental Limits**

However, the most critical threat to the capitalist world-system is ecological. The capitalist system cannot reproduce itself into perpetuity by operating within the metabolic limitations of the biosphere and is rapidly depleting the planet’s natural resources. You cannot have infinite growth on a planet with finite resources. Exceeding our planet’s ecological limits is threatening all complex life on Earth with extinction. Full stop.

To overcome these limitations, many of the core zone and/or imperialist nations within the capitalist world system, as well as a growing number of multinational corporate entities, are heavily investing in the development of space extraction programs. This is what the “billionaires in space” race is fundamentally about, and why NASA is busy attempting to establish property or commodity rights for the moon. Despite the technological breakthroughs of the last 50 years that could make this a possibility, the exploitation of extraterrestrial minerals and other resources is limited by the prohibitive costs associated with exploiting or colonizing the moon or other bodies

within our solar system. As far-fetched as this may seem right now, it underscores the incessant drive of capitalist production to transcend barriers to its continued expansions.

To overcome its geographic or external limitations, the capitalist system has increasingly focused on expanding internally, meaning within the micro-worlds of the molecular, the biological and digital realms. The technological factions of capital are rapidly becoming effective and proficient at manipulating genes, developing predictive algorithms, data mining, and target marking. These practices are increasingly transforming the very means of exchange, social interaction, and production. They are significantly intensifying capital's drive for monopolization, replacing markets with monopoly platforms that in effect "own" the market". These platforms have become the new sites of capital realization through the data mining practices they employ that are shifting relations in labor management, particularly since the advent of the COVID-19 global pandemic. Massive "work from home" shifts are cutting office overhead, but also reinforcing the value of data as a tool better control markets and labor and squeeze more work from fewer employees. The consequences shed light on the massive stock buyback programs of corporations and the quantitative easing measures of the central banks of G7 powers. Together the tech conglomerates and the lords of finance that own, direct, and control these platform technologies are inhibiting the competitive dynamics of capitalism through monopoly practices that are totally eviscerating local markets and small producers and distributors. This inhibitive dynamic diminishes innovation and creativity, limiting the system's ability to expand internally. Technological monopolization restricts the exchange of value, particularly in the form of the circulation money. Without an expansion of new lines of credit to millions of consumers, it also limits the circulation of material goods as wealth is concentrated and wages and employment languish.

## **Negativity About the Working Class**

None of these dynamics are unknown to those forces on the left schooled in the basic fundamentals of Marxism. But there is a general weakness of the Marxist left. People may talk about "the working class" but they favor strategic alliances and activities that rely on the power and agency of bourgeois forces to secure incremental reforms and gains. Whether due to an abandonment of revolutionary Marxism, rank opportunism or state repression and outright evisceration by the forces of capital, they are unable to act on the fundamental insights of revolutionary theory and lack positioning within the working class.

Dependence on this multi-class orientation stems from the doubts and disbelief in the transformative capacity of the working class, due to the many challenges confronted by left formations all over the world that have struggled to organize the proletariat to overcome the fragmentation of its consciousness and self-organization. These challenges are derived from the numerous historic divides that shape the material lives of the class, nationality, race, ethnicity, language, religion, gender, sexuality, and occupation to name a few.

In Part II of this Analysis we will take up some of the challenges to and rejections of the view that the working class, internationally and in the U.S. is the energy force for revolutionary transformation of society which is fundamental to Marxist strategy creating a world free of oppression and exploitation.

The ideology we are criticizing in this paper has a long history. It is a distorted and revisionist version of Marxism was that was originally formulated between the 1890's and 1920's, partic-

ularly by theoreticians within the Social Democratic Party (SPD) of Germany, and adopted by most social democrats after WWI and by many communists and revolutionary nationalists in the late 1930's, during the so-called "Popular Front" period. This politics finds its greatest expression in the US today in formations like the Democratic Socialists of America (DSA), the Working Families Party, the Poor People's Campaign, Organizing Upgrade and various identity based groups like the Movement for Black Lives.

Marx argued that the working class should not raise banners calling for "a fair day's work for a fair day's pay" but rather fight for an end to wage slavery. Unfortunately, Marx has been expropriated and bastardized by much of the international left over the last 100 years, gutting out its revolutionary thrust and focusing on the "unfairness of capitalism", reducing Marxism to a theory of labor's battle with capitalism for a bigger share of the pie.

As a result of this orientation, these forces place overdue emphasis on electoral politics derived from the fetish made of bourgeois democracy and commodity society. What they fundamentally ignore or deny is that the state is an instrument of class rule. And where capitalist relations dominate society, the state serves as its executive committee. Revisionists are fixated on the delusion that the "master's house can be dismantled by the master's tools". In this vein they are stuck on the notion that the left can use the instruments of bourgeois society, particularly its electoral apparatus, to transform society through the ballot box by winning over the majority of voters, and presumably the majority of society, to its views. The assumption is that by winning over the voting majority, the left will be able to contain capitalist relations through policy mandates and legislate socialism into being.

The historical record demonstrates that the bourgeoisie has never been legislated away, nor has capitalism ever been voted out of existence. Repeated efforts to use Popular Front strategies that call for multi-class alliances on the basis of a multi-class platform and agenda have all failed. This is true of attempts by left forces in Western Europe, Latin America, Japan, Korea, and Australia since the 1930's, including Chile in 1970 and Venezuela in 1999.

Even where these electoral strategies have been pursued by the left with some degree of success in winning elections, the bourgeoisie, on an international level, has unleashed chaos against these societies to undermine the credibility of pursuits of this nature. This chaos typically results in left-leaning governments being removed from office to cease the economic hostage taking activities of the capitalist class, or they are violently overthrown and replaced with some form of dictatorial or fascist regime (Chile in 1973 being a prime example).

The Popular Front orientation deviates from the core principles and practices of revolutionary Marxism that aim to build working class consciousness and self-organization, and to use that as the primary tool to emancipate the class and transform society. The orientation we are critiquing forgoes class struggle for class collaboration, surrenders the leadership of the social movements aiming towards the democratization of society to bourgeois forces, and relegates the question of a socialist transition to a distant and unspecified future. This is why focusing primarily on one side of the power equation, the political side, without addressing the other, the material side — meaning the economy and relations of (re)production, only leads to defeat for the left time and time again.

By recentering our attention on the balance between the political and the material, we can better understand how the bourgeoisie is trying to avert the crisis at hand, and how the international working class, can not only intervene, but act in our own collective interests to transform society and stop the death march of capitalism.

As noted above, there is no set of normative political relations within the capitalist world-system. Material and political relations are always determined by the state of the class struggle and the balance of forces between the partisans in this struggle on the local, regional, national and international levels. This does not mean that the partisans in the struggle, particularly the two defining classes of the capitalist mode of production, i.e. the bourgeoisie and the proletariat, don't have historically constructed tools in their kits to shape social events and steer them in desired directions. Given the asymmetry of power in bourgeois society, the capitalist class currently have more tools at their disposal to guide and shape events. And they are never remiss in deploying their tools to sustain their position and preserve their advantages. To this end, some of the most powerful tools in their toolkit are their economic and financial management tools. When fully deployed, these economic and financial tools constitute comprehensive strategies to ensure the reproduction and expansion of capital through various methods of political and social control.

## **Varieties of Capitalist Governance**

The four comprehensive strategies of economic and financial control historically employed by the bourgeoisie to restore profits during periods of systemic fluctuation of capital, i.e. its boom and bust cycles, can loosely be defined as follows: 1) the mercantilist strategy, 2) the social democracy strategy, 3) the neoliberal strategy, and 4) the fascist strategy.

The mercantilist strategy of capital accumulation and social control requires an aggressive state, one actively engaged in colonizing or subjecting new territories or states. One with a consolidated partnership between the state and the core capitalist forces operating in the state, acting as national capitalists, pursuing the collective interests of the partnership in question. Through this alliance, accumulation is pursued by controlling the balance of trade with the subject areas through repressive means and by attempting to expand their exports to new markets and fields of influence at the direct expense of their competitors. This strategy is typically employed by rising and aspiring capitalist forces seeking to expand the limits of their domestic markets. This was the dominant strategy employed by capital as it emerged and matured in the nation-states of western Europe as they colonized the Western Hemisphere, Africa, and Asia and cannibalized each other between the 16<sup>th</sup> through the 18<sup>th</sup> centuries.

The social democratic strategy of capital accumulation and social control is capital's accommodation to the organized strength and political mobilization of the working class, when it is self-activated and agitating for its own interests. It is predicated on capital making various economic and social concessions to the working class, like the right to organize, social security, extended vacations, universal health care, maternity leave, social housing, child care, etc. The aim of this strategy is to undercut revolt and temporarily concede to some of the demands of the working class and to buy-off critical sectors of it. The aim is to keep the working class from seizing the means of production in order to socialize it and democratize society. The social democratic strategy requires a state with the enough capacity to monitor the activities of capital, contain the working class, enforce the terms of the compromise agreements, and efficiently distribute the social surpluses. Although deployed in various limited forms in the 18<sup>th</sup> and 19<sup>th</sup> centuries in parts of Europe to quell various rebellions and revolutionary upsurges (like those in 1848 — 1849), its historic heyday was between 1930's and 1980 in Western Europe, North America, Japan, Australia, and parts of Asia and Latin America.

The neoliberal strategy of capital accumulation and social control requires the occupation or control of new areas and resources to extract from, including novel resources like DNA and mega data. Further, it requires the opening of new markets and secure fields of investment, along with the privatization of state resources and reserves including potentially social security and Medicare. And finally, it requires the deregulation of financial and labor markets, the elimination of environmental protection standards and controls, and the proletarianization of new labor pools and/or the pauperization of existing ones. This strategy is typically employed when capital needs to weaken or eviscerate the social gains won by the working class, oppressed peoples, or marginalized social sectors during previous periods that hamper capital's ability to expand and reproduce itself at a desired rate. As noted above, this has been the dominant strategy employed by capital and the dominant national-states within the world-system on an international level since the 1980's.

The fascist strategy of capital accumulation and social control requires the consolidation of the state apparatus through the merger of right wing or conservative political forces and factions of capital, particularly finance and industrial capital. Historically fascist authoritarianism has been used to militarize for imperial competition, to crush internal opposition and contention, under the guise of seeking to restore the former glory of the empire, nation, or people as a means to advance the interests of a particular section of the capitalists as the national interest relative to their domestic rivals. The objective being to gain position on their international rivals through aggressive economic and political policies in order to control more of the spoils of the capitalist world-system. This accumulation method requires the political mobilization of the forces of the right, the militarization of their organizational apparatus, the construction of ultra-nationalist narratives to rationalize and promote their aggressive, often racist and misogynist worldviews, in order to justify the widespread suppression of the forces of domestic descent. It also typically seeks to promote a selective form of distribution of the social surplus to the populations or "citizens" designated as "indigenous" to the national-project or loyal to the aims of the leader of the nationalist project. In order to deliver the goods, this form of accumulation requires the material dispossession and super exploitation of the subject or marginalized peoples and populations that reside within the nation-state, the limitation of imports, and the forced entry of goods into foreign markets or all out conquest of other nation-states and/or their territories. Variants of this strategy have been employed by a scattering of regimes in various countries over the last 300 years, but it's most noted usage was in 20<sup>th</sup> century Italy, Germany, Spain, Portugal, and Chile to name a few.

In the effort to resolve the current structural crisis of capitalism, the bourgeoisie and the forces either allied with it or operating as its appendages, have employed variants of all of these strategies in different contexts and situations over the past 20 years, particularly after the great financial crash of 2008 – 2010. Here are but a few examples: The US under the Trump regime employed elements of mercantilist and fascist strategies of accumulation. Greece under the Syriza administration, Brazil under the Lula administration and Venezuela under the Chavez and Maduro administrations all employed social democratic strategies of accumulation. While Hungary under the rule of Orban, India under the rule of Modi, and the Philippines under the rule of Duterte best exemplify the fascist or neo-fascist strategy of accumulation. However, the conditions shaping and driving the deep structural crisis of the capitalist world-system, particularly in the wake of the COVID-19 pandemic, are restraining the ability of any of the aforementioned accumulation strategies to realize their objectives.

When these strategies fail, the bourgeoisie deploy their ultimate weapon: War. Historically war and preparation for war has been the ultimate resolution of conflict and competition between capitalist-imperialist countries. The history of capitalism has been a history of almost constant war to subdue colonies and neo-colonies and to seize the land of indigenous peoples. The U.S. has been engaged in war for 240 of the 246 years since 1776. In the 20<sup>th</sup> century imperialist rivalry between blocs of European countries, the U.S. and Japan led to two World Wars that killed approximately 80 million people. War and all of the preparations that go into it have also served as the quickest route to revitalizing and expanding capitalist economies. War and rumors of war have short term economic impact: they drive up demand, ramp up production, put the maximum number of people to work, and further centralize power in the hands of the state and the bourgeoisie to direct society. Its general limitation is that it is more often than not debt financed. This places a high burden on winning if the decision is made to go this route, as it is only in victory that the debts incurred can generally be paid off or written off, with exponential rates of return on investment.

War has been the general reset tool of the capitalist mode of production. It advances the development of new technologies, eliminates outmoded technologies and means of production, changes wage scales (domestically and internationally), hastens capital appreciation in key regions and sectors, and evaluates currencies and real estate, redefines market relations between states, and shifts the balance of forces within states and between states. And as the current crisis has deepened over the past 20 years, there have been and are a plethora of civil wars (Yemen, Sudan, South Sudan, the Congo, the Philippines, etc.), proxy wars (Syria, Iraq), wars of national liberation (Palestine, Ache, West Papua, Western Sahara, etc.) and rumors and preparation for another world war. However, since World War II the reality of nuclear weapons and the strategies of mutual assured destruction have given some pause to resort to inter-capitalist war. This does not mean that war preparations, including nuclear war, are not constantly moving forward.

Without question preparations for an inter-imperialist war between the U.S. and China over hegemony of the capitalist world-system have been and are heating up. The U.S. has held the unchallenged hegemon position within the world-order since the close of the second inter-imperialist war in 1945. China has been steadily rising in position within the capitalist world-system since the 1980's and is consciously and deliberately trying to break the U.S. financial and military chokehold over the system. Although the Chinese and U.S. economies are deeply intertwined, China is expected to become the world's commanding economy by 2028, if not sooner. It is by far and away the world's largest industrial producer and exporter, and consumer of raw materials. It is now the world's largest creditor nation, the largest infrastructure builder, commanding the world's largest army, and is the US government's only rival in terms of military expenditures. It is also challenging and transforming the rules of the accumulation game, particularly the interstate legal based norms of the Bretton Woods Institutions. One of the best examples that demonstrates how China is changing the rules of the game is demonstrated by how it generally rearticulates the copyright / patent rules of the system. As a matter of strategy, it turns them on their head, to compel transnational corporations to engage in technology transfers as a cost of doing business in the country. China is also strenuously challenging the monetary rules of the capitalist world-system by politically and financially incentivizing its growing number of "partners" to trade in the Yuan rather than the American Dollar, which has been the standard measure of currency transactions the world over since World War II. These are just some of the critical ways that China is challenging U.S. hegemony.



In order to sustain its position as the hegemon of the world-capitalist system, this challenge cannot be ignored by the U.S. state and capitalist class. Therefore the Biden regime, as the Trump and Obama regimes before it, is making the containment of China one of its primary strategic priorities. The Biden regime is toning down aspects of the rhetoric promoted by the Trump regime against China (as of this writing at least), but it will sustain the same policies in principle. Without question, the Biden administration is planning on continuing the US military buildup in the Asia – Pacific region and containment policies that started in the Obama administration, which centered around multilateral trade and security agreements with China’s neighbors in the effort to stunt its growth and forestall the inevitable war that both sides clearly see coming. However, it is clear that this conflagration won’t be playing out on the same grounds as it was in 2017 when Obama departed office. China’s response to the COVID-19 pandemic demonstrated without question that it has the greatest industrial capacity on the planet and that it is not without critical international allies of its own.

Taking on China and the COVID-19 pandemic through unprecedented deficit spending is not sustainable, not even for the U.S. government and the Federal Reserve which by fiat can create new hard and digital currency. The cycle of capital reproduction, both domestically and internationally, is too fractured for the standard fiscal stimulus devices typically employed by the G7 to forestall or dampen stock and market crashes to work to the effect they did in 2008 – 2009. The Federal Reserve has already poured trillions into the banks and the stock market to sustain the capitalist world-system during the pandemic. So, Biden’s stimulus plans can and will be only short-term measures at best. The crisis of capital and the growing conflicts with China and Russia are intensifying disputes within the U.S. capitalist class and their various political party expressions. The rise of fascistic authoritarianism is an outgrowth of these disputes over how to maintain the U.S.’s global hegemony and resolve the economic crises described above. That this dispute could come to real blows, i.e. a civil war between sections of the ruling class as well as an armed conflict between the U.S. and China and allies are both on the table.

The last statement was not made in jest. Nor was an attempt to be hyperbolic. The fact is, in order to overcome the central contradiction of the declining rate of profit within the system, a reset via the massive destruction of much of the world’s existing capital stock, particularly in the old industrial regions of the core and semi-peripheral zones, is needed. The process of “creative destruction”, via major depressions or outright war, has historically been the way to restore profitability by creating new terms and conditions for investment. The “law of value” is driving the forces of imperialism to war and forcing the surrogates of capital in third world countries like Colombia, El Salvador, Haiti, Myanmar, the Philippines, Tunisia, Afghanistan, Egypt, Turkey, South Africa, etc. to implement hard measures of repression without any pretense to democracy.

Rather than narrowly focusing on elections, cross-class alliances, the movement of the far right, etc., we need to be looking at the big picture in order to develop a comprehensive line of march that will defeat ALL of the reactionary forces and usher in a new civilization. The capitalist forces of chaos and domination are at the door, and it’s truly now a question of genuine socialism or extinction. Without question, we, the “left” or revolutionary forces of the world, need to continue being the “champions of democracy”. However, this does not mean that we have to uphold or uplift bourgeois democracy, nor any of its instruments, institutions, or rituals. We can and have to do better than that. We have to create new, horizontally oriented practices and institutions of direct and deliberate democracy to break out of the stranglehold of capitalist relations. This will

require revolutionary leadership to build the kind of movement that can achieve that future. We have to make a way!

Of course, the question is *how* do we forge that way under the present terms and conditions of the world, when the forces of the left throughout the globe are so weak, divided, unorganized, and bereft of revolutionary consciousness. If humanity needs to escape from the variants of capitalist rule, if not bourgeois democracy, neoliberal austerity or fascism, what is the path forward?

In a planned second paper we will explore some means to this end. Part of the subsequent paper will address the role of the international working class as the principle energy force for the liberation of humanity from the exploitation, oppression and constant warfare of capitalism.

**We invite people who have read this paper to engage with us and to contribute to the research and analysis that will be required to chart the road forward.**

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Kali Akuno, Brian Drolet, Doug Norberg  
Shifting Focus  
Organizing for Revolution, Not Crisis Avoidance (Part 1)  
November 1, 2021

<https://navigatingthestorm.blogspot.com/2021/11/shifting-focus-organizing-for.html?m=1>

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